

PRINCE ALBERT

MUNICIPALITY



AUDITED

ANNUAL FINANCIAL STATEMENTS

30 JUNE 2016

PRINCE ALBERT LOCAL MUNICIPALITY

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PRINCE ALBERT LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

GENERAL INFORMATION

NATURE OF MUNICIPALITY'S OPERATIONS AND PRINCIPAL ACTIVITIES

Prince Albert Municipality is a local municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)

DOMICILE AND LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

JURISDICTION

The Prince Albert Municipality includes the following areas:

*Prince Albert
Klaarstroom
Leeu Gamka*

DEMARICATION CODE

WC052

MUNICIPAL MANAGER

Mr. H Mettler

CHIEF FINANCIAL OFFICER

Mr. J Neethling

REGISTERED OFFICE

*Private Bag X53
PRINCE ALBERT
6730*

AUDITORS

Office of the Auditor General (WC)

PRINCIPLE BANKERS

ABSA, Prince Albert

PRINCIPLE ATTORNEY

Riaan Coetzee

RELEVANT LEGISLATION

Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Housing Act (Act no 107 of 1997)
Municipal Property Rates Act (Act no 6 of 2004)
Electricity Act (Act no 41 of 1987)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1966)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Infrastructure Grants
SALBC Leave Regulations

AUDIT COMMITTEE MEMBERS

A.B.J. Dippenaar
P.J. Theron
J.C. van Wyk

PRINCE ALBERT LOCAL MUNICIPALITY

MEMBERS OF THE PRINCE ALBERT LOCAL MUNICIPALITY

COUNCILLORS

Ward	G. Lottering
Ward	N.D. Jaffha
Ward	N.S. Abrahams
Ward	I.J. Windvogel
Proportional	L. Jaquet
Proportional	S. Botes
Proportional	C. Stols

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements for the year ended 30 June 2016, which are set out on pages 1 to 86 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality. The annual financial statements have been prepared in accordance with GRAP.

I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2017 and I am satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Mr. H Mettler
Accounting Officer

Date

PRINCE ALBERT LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2016

	Notes	2016 R	Restated 2015 R
NET ASSETS AND LIABILITIES			
Net Assets		111,605,282	89,314,303
Capital Replacement Reserve	2	1,469,160	-
Accumulated Surplus/(Deficit)		110,136,122	89,314,303
Non-Current Liabilities		23,999,343	12,564,205
Long-term Liabilities	3	36,251	13,959
Long-term Employee benefits	4	4,946,279	4,680,403
Non-Current Provisions	5	19,016,813	7,869,843
Current Liabilities		18,701,003	12,798,124
Consumer deposits	6	414,906	394,704
Current employee benefits	7	1,659,320	1,844,155
Trade and other payables	8	6,151,003	3,484,937
Unspent Conditional Government Grants and Receipts	9	10,438,243	7,013,344
Current Portion of Long-term Liabilities	3	37,531	60,984
Total Net Assets and Liabilities		154,305,628	114,676,632
ASSETS			
Non-Current Assets		121,801,510	98,771,363
Property, Plant and Equipment	11	108,402,028	85,426,143
Investment Property	12	13,288,164	13,296,642
Intangible Assets	13	111,318	48,578
Current Assets		32,504,118	15,905,269
Inventory	14	470,350	428,283
Trade Receivables from exchange transactions	15	1,849,170	1,792,053
Receivables from non-exchange transactions	16	1,189,931	1,652,129
Lease Asset	17	35,061	54,869
VAT Receivable	10	2,211,373	848,170
Cash and Cash Equivalents	18	26,748,233	11,129,765
Total Assets		154,305,628	114,676,632

PRINCE ALBERT LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 (Actual) R	2015 (Restated) R	Correction of error R	2015 (Previously reported) R
REVENUE					
Revenue from Non-exchange Transactions		48,381,992	61,053,823	(1,497,319)	59,556,504
Taxation Revenue		2,724,986	2,462,042	-	2,462,042
Property taxes	19	2,724,986	2,462,042	-	2,462,042
Transfer Revenue		39,125,439	52,961,873	-	52,961,873
Government Grants and Subsidies - Capital	20	15,039,484	12,745,228	-	12,745,228
Government Grants and Subsidies - Operating	20	24,073,295	40,215,645	-	40,215,645
Public Contributions and Donations		12,660	1,000	-	1,000
Other Revenue		6,531,567	5,629,908	(1,497,319)	4,132,589
Actuarial Gains	4	166,006	550,841	-	550,841
Fines	21	3,552,490	3,581,748	-	3,581,748
Service in Kind	49	2,813,071	1,497,319	(1,497,319)	-
Revenue from Exchange Transactions		24,544,449	21,420,064	1,637,650	23,057,714
Service Charges	22	18,988,968	17,398,756	142,461	17,541,217
Rental of Facilities and Equipment		337,017	273,499	-	273,499
Interest Earned - external investments		1,622,432	812,429	-	812,429
Interest Earned - outstanding debtors		955,698	710,981	-	710,981
Licences and Permits		264,294	254,551	6,630	261,181
Other Income	23	2,342,688	1,969,848	1,488,559	3,458,407
Profit/Loss on disposal of Property, Plant and Equipment		33,352	-	-	-
Total Revenue		72,926,440	82,473,887	140,331	82,614,218
EXPENDITURE					
Employee related costs	24	12,994,102	13,048,472	58,468	13,106,940
Remuneration of Councillors	25	2,585,722	2,410,570	-	2,410,570
Debt Impairment	26	5,620,656	5,223,754	-	5,223,754
Depreciation and Amortisation	27	2,353,726	1,744,429	-	1,744,429
Repairs and Maintenance	28	633,902	1,177,669	(3,899)	1,173,770
Actuarial losses	4	69,227	7,466	-	7,466
Finance Charges	29	862,809	562,321	-	562,321
Bulk Purchases	30	7,525,471	6,748,255	(142,461)	6,605,794
Contracted services	31	7,705,123	24,509,836	(263,835)	24,246,001
General Expenses	32	9,585,475	15,164,244	(822,899)	14,341,345
Profit/Loss on disposal of Property, Plant and Equipment		699,249	108,386	-	108,386
Total Expenditure		50,635,462	70,705,402	(1,174,626)	69,530,776
NET (DEFICIT)SURPLUS FOR THE YEAR		22,290,978	11,768,485	1,314,957	13,083,442

PRINCE ALBERT LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2016

	Capital Replacement Reserve	Accumulated Surplus	Total
	R	R	R
Balance at 1 JULY 2014	-	79,815,672	79,815,672
Correction of error	-	(2,269,854)	(2,269,854)
Restated Balance at 1 JULY 2014	-	77,545,818	77,545,818
Net Surplus for the year (Restated)	-	11,768,485	11,768,485
Restated Balance at 30 JUNE 2015	-	89,314,303	89,314,303
Net Surplus for the year	-	22,290,978	22,290,978
Transfer to Capital Replacement Reserve	1,469,160	(1,469,160)	-
Balance at 30 JUNE 2016	1,469,160	110,136,122	111,605,282

PRINCE ALBERT LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

		30 JUNE 2016	30 JUNE 2015
		(Actual)	(Restated)
	Notes	R	R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Ratepayers and other		29,444,855	25,539,145
Government - operating		24,073,295	40,215,645
Government - capital		15,039,484	12,745,228
Interest		2,578,130	1,523,410
Payments			
Suppliers and employees		(28,590,406)	(65,181,950)
Finance charges	29	(862,809)	(562,321)
Transfers and Grants		-	-
Cash generated by operations	35	41,682,549	14,279,157
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	11	(25,984,407)	(12,717,912)
Disposal of Investment Properties		6,692	-
Purchase of Intangible Assets		(105,410)	(2,300)
Additions to Capitalised Restoration Cost		-	-
Net Cash from Investing Activities		(26,083,125)	(12,720,212)
CASH FLOW FROM FINANCING ACTIVITIES			
Loans repaid		(75,176)	(68,110)
New loans raised		74,015	49,445
Increase in Consumer Deposits		20,202	20,303
Net Cash from Financing Activities		19,041	1,638
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,618,465	1,560,582
Cash and Cash Equivalents at the beginning of the year		11,129,765	9,569,182
Cash and Cash Equivalents at the end of the year	36	26,748,233	11,129,765
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,618,465	1,560,582

**PRINCE ALBERT LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2016**

COMPARISON OF ACTUAL FIGURES TO FINAL BUDGET

	2016 R	2016 R	2016 R	
	(Actual)	(Final Budget)	(Variance)	%
				Explanations for material variances more than 10% of a specific line item with a minimum of R 300,000.00
ASSETS				
Current assets				
Cash	26,748,233	9,204,575	17,543,658	191% Delayed grant spending.
Consumer debtors	3,039,101	5,349,576	(2,310,475)	-43% Increased provision for bad debts.
Other Receivables	2,246,434	631,862	1,614,572	256% Budgeted for incorrectly.
Inventory	470,350	924,678	(454,328)	-49% Inventory levels less than budget for.
Total current assets	32,504,118	16,110,691	16,393,427	
Non current assets				
Investment property	13,288,164	13,856,642	(568,478)	-4% Trivial.
Property, plant and equipment	108,402,028	127,810,706	(19,408,678)	-15% Capital grants not spent so decrease in capital grant income.
Intangible Assets	111,318	68,475	42,843	63% Trivial.
Total non current assets	121,801,510	141,735,823	(19,934,313)	
TOTAL ASSETS	154,305,628	157,846,514	(3,540,886)	
LIABILITIES				
Current liabilities				
Borrowing	37,531	-	37,531	0% Trivial.
Consumer deposits	414,906	400,918	13,988	3% Trivial.
Trade and other payables	16,589,246	10,146,475	6,442,771	63% Large invoices in June and unspent grants.
Provisions and Employee Benefits	1,659,320	1,628,289	31,031	2% Trivial.
Total current liabilities	18,701,003	12,175,682	6,525,321	
Non current liabilities				
Borrowing	36,251	101,926	(65,675)	-64% Trivial.
Provisions and Employee Benefits	23,963,092	16,242,043	7,721,049	48% Large increase in provision for landfill due to new standards for rehab construction.
Total non current liabilities	23,999,343	16,343,969	7,655,374	
TOTAL LIABILITIES	42,700,346	28,519,651	14,180,695	
NET ASSETS	111,605,282	129,326,863	(17,721,581)	
COMMUNITY WEALTH				
Accumulated Surplus/(Deficit)	110,136,122	129,326,862	(19,190,740)	
Capital Replacement Reserve	1,469,160	-	-	
TOTAL COMMUNITY WEALTH/EQUITY	111,605,282	129,326,862	(17,721,580)	

**PRINCE ALBERT LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2016**

ADJUSTMENTS TO APPROVED BUDGET

	2016 R	2016 R	2016 R	
	(Approved Budget)	(Adjustments)	(Final Budget)	%
ASSETS				
Current assets				
Cash	2,753,005	6,451,570	9,204,575	234% Incorrectly budgeted for.
Consumer debtors	877,577	4,471,999	5,349,576	510% Changes in credit control policy.
Other Receivables	631,862	-	631,862	0% Trivial.
Inventory	924,678	-	924,678	0% Trivial.
Total current assets	5,187,122	10,923,569	16,110,691	
Non current assets				
Investment property	14,995,841	(1,139,199)	13,856,642	-8% Trivial.
Property, plant and equipment	101,714,328	26,096,378	127,810,706	26% Additional funds received for capital projects.
Intangible Assets	68,475	-	68,475	0% Trivial.
Total non current assets	116,778,643	24,957,180	141,735,823	
TOTAL ASSETS	121,965,765	35,880,749	157,846,514	
LIABILITIES				
Current liabilities				
Consumer deposits	400,918	-	400,918	0% Trivial.
Trade and other payables	1,486,515	8,659,960	10,146,475	583% Incorrectly budgeted for.
Provisions and Employee Benefits	1,628,289	-	1,628,289	0% Trivial.
Total current liabilities	3,515,722	8,659,960	12,175,682	
Non current liabilities				
Borrowing	101,926	-	101,926	0% Trivial.
Provisions and Employee Benefits	6,616,891	9,625,152	16,242,043	145% Incorrectly budgeted for.
Total non current liabilities	6,718,817	9,625,152	16,343,969	
TOTAL LIABILITIES	10,234,539	18,285,112	28,519,651	
NET ASSETS	111,731,226	17,595,637	129,326,863	
COMMUNITY WEALTH				
Accumulated Surplus/(Deficit)	111,731,225	17,595,637	129,326,862	
TOTAL COMMUNITY WEALTH/EQUITY	111,731,225	17,595,637	129,326,862	

PRINCE ALBERT LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016

COMPARISON OF ACTUAL FIGURES TO FINAL BUDGET

	2016 R	2016 R	2016 R	
	(Actual)	(Final Budget)	(Variance)	%
REVENUE BY SOURCE				
Property rates	2,724,986	2,680,744	44,242	2% Trivial.
Service charges	18,988,968	18,107,400	881,568	5% Trivial.
Rental of facilities and equipment	337,017	380,500	(43,483)	-11% Trivial.
Interest earned - external investments	1,622,432	1,310,000	312,432	24% Slow spending on capital projects caused higher bank balances than expected.
Interest earned - outstanding debtors	955,698	1,000,000	(44,302)	-4% Trivial.
Fines	3,552,490	3,782,000	(229,510)	-6% Trivial.
Licences and permits	264,294	220,000	44,294	20% Trivial.
Government Grants and Subsidies - Operating	24,073,295	41,483,890	(17,410,595)	-42% Accelerated housing grant was incorrectly budgeted as operating income.
Other revenue	5,334,425	4,048,800	1,285,625	32% Income for in kind benefits included in other income for budget.
Gains on disposal of PPE	33,352	-	33,352	0% No explanation obtained as difference is below 10%.
Total Operating Revenue	57,886,956	73,013,334	(15,126,378)	
EXPENDITURE BY TYPE				
Employee related costs	12,994,102	13,738,431	(744,329)	-5% Trivial.
Remuneration of councillors	2,585,722	2,582,000	3,722	0% Trivial.
Debt impairment	5,620,656	5,300,000	320,656	6% Trivial.
Depreciation & asset impairment	2,353,726	1,895,000	458,726	24% New additions.
Finance charges	862,809	570,000	292,809	51% Increased finance charges on landfill site provision.
Bulk purchases	7,525,471	9,471,000	(1,945,529)	-21% Changed Eskom tariffs in 2014/2015 and did adjust budget for lower tariffs.
Contracted services	7,705,123	1,886,588	5,818,535	308% Contracted services budgeted as other expenditure.
Other expenditure	10,288,604	24,083,894	(13,795,290)	-57% Repairs and maintenance, transfer to CRR and contracted services included under other expenses for budget purposes.
Loss on disposal of PPE	699,249	-	699,249	0%
Total Operating Expenditure	50,635,462	59,526,913	(8,891,451)	
Government Grants and Subsidies - Capital	7,251,494	13,486,421	(6,234,927)	
	15,039,484	13,405,700	1,633,784	12% Accelerated housing grant was incorrectly budgeted as operating income.
	22,290,978	26,892,121	(4,601,143)	

**PRINCE ALBERT LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

ADJUSTMENTS TO APPROVED BUDGET

	2016 R	2016 R	2016 R		Explanations for material variances more than 10% of a specific line item with a minimum of R 300,000.00
	(Approved Budget)	(Adjustments)	(Final Budget)	%	
REVENUE BY SOURCE					
Property rates	2,720,744	(40,000)	2,680,744	-1%	Trivial.
Service charges	18,798,400	(691,000)	18,107,400	-4%	Trivial.
Rental of facilities and equipment	322,500	58,000	380,500	18%	Trivial.
Interest earned - external investments	500,000	810,000	1,310,000	162%	Slow spending on capital projects caused higher bank balances than expected.
Interest earned - outstanding debtors	600,000	400,000	1,000,000	67%	Changes in credit control policy led to lower payment rate.
Fines	8,952,000	(5,170,000)	3,782,000	-58%	Poor performance by service provider.
Licences and permits	220,000	-	220,000	0%	Trivial.
Government Grants and Subsidies - Operating	21,250,300	20,233,590	41,483,890	95%	Additional grant funding received.
Other revenue	417,800	3,631,000	4,048,800	869%	Increased VAT on grants as well as Service in kind recognition.
Total Operating Revenue	53,781,744	19,231,590	73,013,334		
EXPENDITURE BY TYPE					
Employee related costs	14,248,391	(509,960)	13,738,431	-4%	Trivial.
Remuneration of councillors	2,582,000	-	2,582,000	0%	Trivial.
Debt impairment	8,750,000	(3,450,000)	5,300,000	-39%	Decrease in fine income led to increase in debt impairment.
Depreciation & asset impairment	1,895,000	-	1,895,000	0%	Trivial.
Finance charges	300,000	270,000	570,000	90%	Trivial.
Bulk purchases	9,581,000	(110,000)	9,471,000	-1%	Trivial.
Contracted services	1,292,000	594,588	1,886,588	46%	Additional funding received for additional projects.
Other expenditure	15,130,310	8,953,584	24,083,894	59%	Increased funding for projects.
Total Operating Expenditure	53,778,701	5,748,212	59,526,913		
	3,043	13,483,378	13,486,421		
Government Grants and Subsidies - Capital	10,292,700	3,113,000	13,405,700	30%	Accelerated housing grant was incorrectly budgeted as operating income.
	10,295,743	16,596,378	26,892,121		

**PRINCE ALBERT LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

COMPARISON OF ACTUAL FIGURES TO FINAL BUDGET

	2016 R	2016 R	2016 R	
	(Actual)	(Final Budget)	(Variance)	%
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	29,444,855	14,826,217	14,618,639	99% Error on budget
Government - operating	24,073,295	41,483,890	(17,410,595)	-42% Slow spending on grant funding projects
Government - capital	15,039,484	13,405,700	1,633,784	12% Slow spending on grant funding projects
Interest	2,578,130	1,710,000	868,130	51% Slow spending on grant funding projects
Payments				
Suppliers and Employees	(28,590,406)	(42,475,916)	13,885,510	-33% Slow spending on grant funding projects
Finance charges	(862,809)	270,000	(1,132,809)	-420% Additional increases in interest on provisions
Transfers and Grants	-	-	-	
NET CASH FROM/(USED) OPERATING ACTIVITIES	41,682,549	29,219,891	12,462,659	
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Disposal of Investment Properties	6,692	-	6,692	0% Not material
Purchase of Intangible Assets	(105,410)	-	(105,410)	0% Not material
Additions to Capitalised Restoration Cost	-	-	-	
Payments				
Capital assets	(25,984,404)	(36,389,079)	10,404,675	-29% Slow spending on grant funding projects
NET CASH FROM/(USED) INVESTING ACTIVITIES	(26,083,122)	(36,389,079)	10,305,957	
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing	74,015	-	74,015	0% Not material
Increase/(decrease) in consumer deposits	20,202	-	20,202	0% Not material
Payments				
Repayment of borrowing	(75,176)	-	(75,176)	0% Not material
NET CASH FROM/(USED) FINANCING ACTIVITIES	19,041	-	19,041	
NET INCREASE/(DECREASE) IN CASH HELD	15,618,468	(7,169,188)	22,787,656	
Cash and Cash Equivalents at the beginning of the year	11,129,765	16,373,763	(5,243,998)	
Cash and Cash Equivalents at the end of the year	26,748,233	9,204,575	17,543,658	

**PRINCE ALBERT LOCAL MUNICIPALITY
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

ADJUSTMENTS TO APPROVED BUDGET

	2016 R	2016 R	2016 R	
	(Approved Budget)	(Adjustments)	(Final Budget)	%
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	22,555,029	(7,728,813)	14,826,217	-34% Error on budget
Government - operating	23,530,300	17,953,590	41,483,890	76% Additional grant funding received
Government - capital	7,292,700	6,113,000	13,405,700	84% Additional grant funding received
Interest	500,000	1,210,000	1,710,000	242% Additional interest due to slow spending on capital program
Payments				
Suppliers and Employees	(41,396,561)	(1,079,355)	(42,475,916)	3% Not material
Finance charges	-	270,000	270,000	0% Not material
	12,481,468	16,738,422	29,219,891	
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Payments				
Capital assets	(10,292,700)	(26,096,378)	(36,389,079)	254% Additional grant funding received
	(10,292,700)	(26,096,378)	(36,389,079)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts	-	-	-	0% Not material
Payments	-	-	-	0% Not material
	-	-	-	
	2,188,768	(9,357,956)	(7,169,188)	
Cash and Cash Equivalents at the beginning of the year	564,237	15,809,526	16,373,763	
Cash and Cash Equivalents at the end of the year	2,753,005	6,451,570	9,204,575	

11 PROPERTY, PLANT AND EQUIPMENT

30 JUNE 2016

Reconciliation of Carrying Value

	Opening Balance R	Transfers R	Cost Correction of Error R	Additions R	Disposals R	Closing Balance R	Opening Balance R	Accumulated Impairments Correction of Error R	Additions R	Closing Balance R	Opening Balance R	Transfers R	Accumulated Depreciation Correction of Errors R	Depreciation R	Disposals R	Closing Balance R	Carrying Value R
Land and Buildings	5,626,016	-	-	33,062	-	5,659,078	2,012,972	-	-	2,012,972	108,263	-	-	19,644	-	127,907	3,518,198
Land	3,706,179	-	-	-	-	3,706,179	1,544,885	-	-	1,544,885	-	-	-	-	-	-	2,161,294
Buildings	1,919,837	-	-	33,062	-	1,952,899	468,087	-	-	468,087	108,263	-	-	19,644	-	127,907	1,356,904
Infrastructure	74,199,023	(6,263,292)	-	20,895,436	(1,382,689)	87,448,478	-	-	-	-	9,854,412	-	-	1,839,033	(761,989)	10,931,456	76,517,022
Main: Roads	13,870,774	-	-	2,619,901	-	16,490,675	-	-	-	-	3,603,889	-	-	339,814	-	3,943,704	12,546,971
Main: Waste Management	14,413,569	-	-	6,834,352	(1,359,781)	19,888,140	-	-	-	-	1,888,168	-	-	903,648	(742,628)	2,049,189	17,838,951
Main: Electricity	2,751,771	-	-	250,847	-	3,002,617	-	-	-	-	1,261,674	-	-	58,106	-	1,319,780	1,682,837
Main: Water	24,847,906	-	-	760,373	(22,908)	25,585,370	-	-	-	-	3,100,680	-	-	537,465	(19,362)	3,618,783	21,966,587
Work in Progress	18,315,004	(6,263,292)	-	10,429,963	-	22,481,675	-	-	-	-	-	-	-	-	-	-	22,481,675
Community Assets	15,889,597	-	-	132,544	-	16,022,141	-	-	-	-	512,324	-	-	103,960	-	616,284	15,405,857
Recreation Grounds	5,444,883	-	-	-	-	5,444,883	-	-	-	-	13,862	-	-	2,235	-	16,097	5,428,787
Civic Buildings	5,666,943	-	-	-	-	5,666,943	-	-	-	-	183,049	-	-	79,061	-	262,109	5,404,834
Transfer Station	292,901	-	-	-	-	292,901	-	-	-	-	170,859	-	-	-	-	170,859	122,042
Libraries	1,177,450	-	-	-	-	1,177,450	-	-	-	-	71,506	-	-	11,530	-	83,036	1,094,414
Bus Terminals	78,670	-	-	-	-	78,670	-	-	-	-	3,999	-	-	-	-	3,999	74,671
Work in Progress	2,040,099	-	-	132,544	-	2,172,643	-	-	-	-	-	-	-	-	-	-	2,172,643
Cemetery	51,650	-	-	-	-	51,650	-	-	-	-	-	-	-	-	-	-	51,650
Museum	1,137,000	-	-	-	-	1,137,000	-	-	-	-	69,049	-	-	11,134	-	80,184	1,056,816
Lease Assets	280,075	-	-	74,015	(90,072)	264,018	-	-	-	-	158,324	-	-	33,538	(53,039)	138,824	125,194
Office Equipment	280,075	-	-	74,015	(90,072)	264,018	-	-	-	-	158,324	-	-	33,538	(53,039)	138,824	125,194
Capitalised Restoration Costs	1,024,461	-	-	10,712,942	-	11,737,403	9,584	-	(5,319)	4,265	748,905	-	-	46,307	-	795,212	10,937,926
Landfill Site	1,024,461	-	-	10,712,942	-	11,737,403	9,584	-	(5,319)	4,265	748,905	-	-	46,307	-	795,212	10,937,926
Other Assets	4,733,681	-	-	394,381	(177,618)	4,950,444	225,111	-	-	225,111	2,696,814	-	-	285,835	(155,147)	2,827,502	1,897,832
Motor Vehicles	1,171,655	-	-	-	-	1,171,655	225,111	-	-	225,111	492,467	-	-	98,563	-	591,030	355,514
Plant and Equipment	428,175	-	-	45,543	(10,108)	463,610	-	-	-	-	262,839	-	-	49,637	(7,294)	305,162	158,428
Office Equipment	386,488	-	-	-	-	386,488	-	-	-	-	308,291	-	-	-	-	308,291	78,196
Furniture and Equipment	696,708	-	-	125,541	(22,422)	799,827	-	-	-	-	416,627	-	-	45,461	(17,803)	444,285	355,542
Loose Equipment	220,273	-	-	-	-	220,273	-	-	-	-	60,975	-	-	-	-	60,975	159,298
Computer Equipment	762,513	-	-	223,297	(126,569)	859,242	-	-	-	-	541,983	-	-	42,288	(116,405)	467,866	391,376
Specialised Vehicles	1,065,879	-	-	-	(18,519)	1,047,359	-	-	-	-	612,094	-	-	49,885	(13,645)	648,334	399,025
Fire Fighting Equipment	1,991	-	-	-	-	1,991	-	-	-	-	1,538	-	-	-	-	1,538	453
	101,752,853	-6,263,292	-	32,242,380	(1,650,380)	126,081,562	2,247,667	-	(5,319)	2,242,348	14,079,043	-	-	2,328,317	(970,175)	15,437,185	108,402,028

PRINCE ALBERT MUNICIPALITY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

30 JUNE 2015

Reconciliation of Carrying Value

	Opening Balance	Transfers	Cost Correction of Error	Additions	Disposals	Closing Balance	Opening Balance	Accumulated Impairments Correction of Error	Additions	Closing Balance	Opening Balance	Transfers	Accumulated Depreciation Correction of Errors	Depreciation	Disposals	Closing Balance	Carrying Value
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Land and Buildings	7,492,816	-	-1,866,800	-	-	5,626,016	2,484,877	-	-	2,012,972	184,160	-	-	37,472	-	108,263	3,504,780
Land	3,706,179	-	-	-	-	3,706,179	1,544,885	-	-	1,544,885	-	-	-	-	-	-	2,161,294
Buildings	3,786,637	-	(1,866,800)	-	-	1,919,837	939,992	(471,904)	-	468,087	184,160	-	(113,369)	37,472	-	108,263	1,343,486
Infrastructure	63,756,381	-	-	10,442,642	-	74,199,023	-	-	-	-	8,797,712	-	-	1,056,701	-	9,854,412	64,344,611
Main: Roads	13,870,774	-	-	-	-	13,870,774	-	-	-	-	3,250,709	-	-	353,180	-	3,603,889	10,266,884
Main: Waste Management	14,413,569	-	-	-	-	14,413,569	-	-	-	-	1,570,600	-	-	317,568	-	1,888,168	12,525,401
Main: Electricity	2,751,771	-	-	-	-	2,751,771	-	-	-	-	1,203,393	-	-	58,282	-	1,261,674	1,490,096
Main: Water	18,547,360	-	-	6,300,545	-	24,847,906	-	-	-	-	2,773,010	-	-	327,671	-	3,100,680	21,747,225
Work in Progress	14,172,907	-	-	4,142,097	-	18,315,004	-	-	-	-	-	-	-	-	-	-	18,315,004
Community Assets	14,037,971	-	-	1,851,626	-	15,889,597	-	-	-	-	399,582	-	-	112,742	-	512,324	15,377,273
Recreation Grounds	5,444,883	-	-	-	-	5,444,883	-	-	-	-	11,603	-	-	2,259	-	13,862	5,431,022
Civic Buildings	5,666,943	-	-	-	-	5,666,943	-	-	-	-	95,469	-	-	87,580	-	183,049	5,483,895
Transfer Station	292,901	-	-	-	-	292,901	-	-	-	-	170,859	-	-	-	-	170,859	122,042
Libraries	1,177,450	-	-	-	-	1,177,450	-	-	-	-	59,854	-	-	11,652	-	71,506	1,105,944
Bus Terminals	78,670	-	-	-	-	78,670	-	-	-	-	3,999	-	-	-	-	3,999	74,671
Work in Progress	188,473	-	-	1,851,626	-	2,040,099	-	-	-	-	-	-	-	-	-	-	2,040,099
Cemetery	51,650	-	-	-	-	51,650	-	-	-	-	-	-	-	-	-	-	51,650
Museum	1,137,000	-	-	-	-	1,137,000	-	-	-	-	57,798	-	-	11,251	-	69,049	1,067,951
Lease Assets	291,919	(61,289)	-	49,445	-	280,075	-	-	-	-	153,793	-	-	43,738	-	158,324	121,751
Office Equipment	291,919	(61,289)	-	49,445	-	280,075	-	-	-	-	153,793	(39,207)	-	43,738	-	158,324	121,751
Capitalised Restoration Costs	873,811	-	(1,169,669)	1,320,319	-	1,024,461	12,593	-	(3,009)	9,584	704,396	-	-	-	-	44,509	265,972
Landfill Site	873,811	-	(1,169,669)	1,320,319	-	1,024,461	12,593	-	(3,009)	9,584	704,396	-	-	-	-	44,509	265,972
Other Assets	4,862,635	61,289	-	220,540	(410,783)	4,733,681	225,111	-	-	225,111	2,534,737	39,207	-	431,905	(309,035)	2,696,814	1,811,756
Motor Vehicles	1,072,323	-	-	99,332	-	1,171,655	225,111	-	-	225,111	394,913	-	-	97,553	-	492,467	454,077
Plant and Equipment	481,165	-	-	25,611	(78,601)	428,175	-	-	-	-	257,447	-	-	57,389	(51,996)	262,839	165,336
Office Equipment	386,488	-	-	-	-	386,488	-	-	-	-	269,152	-	-	39,139	-	308,291	78,196
Furniture and Equipment	721,884	9,041	-	23,835	(58,052)	696,708	-	-	-	-	392,418	6,027	-	63,552	(45,370)	416,627	280,081
Loose Equipment	220,273	-	-	-	-	220,273	-	-	-	-	60,975	-	-	-	-	60,975	159,298
Computer Equipment	827,841	52,248	-	71,763	(189,339)	762,513	-	-	-	-	592,162	33,180	-	84,871	(168,230)	541,983	220,530
Specialised Vehicles	1,150,670	-	-	-	(84,791)	1,065,879	-	-	-	-	566,133	-	-	89,400	(43,439)	612,094	453,784
Fire Fighting Equipment	1,991	-	-	-	-	1,991	-	-	-	-	1,538	-	-	-	-	1,538	453
	91,315,532	-	(3,036,469)	13,884,573	(410,783)	101,752,853	2,722,581	-	(3,009)	2,247,667	12,774,380	39,207	-	1,727,067	(309,035)	14,079,043	85,426,143

	2016 R	2015 R
2 NET ASSET RESERVES		
RESERVES	1,469,160	-
Capital Replacement Reserve	1,469,160	-
Total Net Asset Reserve and Liabilities	1,469,160	-
3 LONG-TERM LIABILITIES		
Capitalised Lease Liability - At amortised cost	73,782	74,943
Current Portion transferred to Current Liabilities	37,531	60,984
Capitalised Lease Liability - At amortised cost	37,531	60,984
Total Long-term Liabilities - At amortised cost using the effective interest rate method	36,251	13,959
The obligations under finance leases are scheduled below:		
	Minimum lease payments	
Amounts payable under finance leases:		
Payable within one year	37,531	60,984
Payable within two to five years	36,253	13,959
	73,784	74,943
Less: Future finance obligations	(9,629)	(4,478)
Present value of lease obligations	64,155	70,465
Leases are secured by property, plant and equipment - Note 11		
4 EMPLOYEE BENEFITS		
Post Retirement Medical - Refer to Note 4.1	3,823,055	3,677,980
Long Service Awards - Refer to Note 4.2	1,088,395	965,444
Ex Gratia Payments - Refer to Note 4.3	34,829	36,979
Total Non-current Employee Benefit Liabilities	4,946,279	4,680,403
<u>Post Retirement Medical</u>		
Balance 1 July	3,842,068	4,063,843
Contribution for the year	142,440	144,917
Interest Cost	333,914	358,004
Expenditure for the year	(176,807)	(173,855)
Actuarial Loss/(Gain)	(165,728)	(550,841)
Total post retirement benefits 30 June	3,975,887	3,842,068
Less: Transfer of Current Portion - Note 7	(152,832)	(164,088)
Balance 30 June	3,823,055	3,677,980
<u>Long Service Awards</u>		
Balance 1 July	1,073,337	970,613
Contribution for the year	89,078	84,491
Interest Cost	82,093	77,832
Expenditure for the year	(119,662)	(64,324)
Actuarial Loss/(Gain)	69,227	4,725
Total long service 30 June	1,194,073	1,073,337
Less: Transfer of Current Portion - Note 7	(105,678)	(107,893)
Balance 30 June	1,088,395	965,444
<u>Ex Gratia Payments</u>		
Balance 1 July	36,979	31,555
Interest Cost	3,107	2,683
Expenditure for the year	(4,387)	-
Actuarial Loss/(Gain)	(278)	2,741
Total long service 30 June	35,421	36,979
Less: Transfer of Current Portion - Note	(592)	-
Balance 30 June	34,829	36,979

EMPLOYEE BENEFITS (CONTINUE)

TOTAL NON-CURRENT EMPLOYEE BENEFITS

	2016 R	2015 R
Balance 1 July	4,952,384	5,066,011
Contribution for the year	231,518	229,408
Interest cost	419,114	438,519
Expenditure for the year	(300,856)	(238,179)
Actuarial Loss/(Gain)	(96,779)	(543,375)
Total employee benefits 30 June	5,205,381	4,952,384
Less: Transfer of Current Portion - Note 7	(259,102)	(271,981)
Balance 30 June	4,946,279	4,680,403

4.1 **Post Retirement Benefits**

The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	16	15
In-service (employee) non-members	31	29
Continuation members (e.g. Retirees, widows, orphans)	6	6
Total Members	53	50

The liability in respect of past service has been estimated to be as follows:

In-service members and potential members	1,899,499	2,107,493
Continuation members	1,546,482	1,734,575
Total Liability	3,445,981	3,842,068

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:

	2014 R	2013 R	2012 R
In-service members	2,058,733	1,864,350	1,513,866
Continuation members	2,005,110	2,328,634	2,162,558
Total Liability	4,063,843	4,192,984	3,676,424

Experience adjustments were calculated as follows:

	2014 R	2013 R	2012 R
Liabilities: (Gain) / loss	(58,000)	(32,000)	(102,000)
Assets: Gain / (loss)		-	-

The municipality performed their first actuarial valuation on 30 June 2010. Thus there are experience adjustment figures available since 30 June 2010 to fully comply with GRAP 25

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas;
LA Health
Samwumed; and
Keyhealth.

Key actuarial assumptions used:

	2016 %	2015 %
i) Rate of interest		
Discount rate	9.13%	8.88%
Health Care Cost Inflation Rate	8.22%	7.98%
Net Effective Discount Rate	0.64%	0.90%

The discount rate used is a composite of all government bonds and is calculated using a technique known as "bootstrapping"

ii) Mortality rates

The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.

iii) Normal retirement age

It has been assumed that in-service members will retire at age 60, which then implicitly allows for expected rates of early and ill-health retirement.

	2016 R	2015 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	3,823,055	3,677,980
Net liability/(asset)	3,823,055	3,677,980
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	3,842,068	4,063,843
Total expenses	299,547	329,066
Current service cost	142,440	144,917
Interest Cost	333,914	358,004
Benefits Paid	(176,807)	(173,855)
Actuarial (gains)/losses	(165,728)	(550,841)
Present value of fund obligation at the end of the year	3,975,887	3,842,068
Less: Transfer of Current Portion - Note 7	(152,832)	(164,088)
Balance 30 June	3,823,055	3,677,980

Sensitivity Analysis on the Accrued Liability

Assumption	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)	% change
Central Assumptions	2.429	1.546	3.975	

The effect of movements in the assumptions are as follows:

Assumption	Change	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)	% change
Health care inflation	1%	3.022	1.671	4.693	18%
Health care inflation	-1%	1.969	1.436	3.405	-14%
Discount Rate	1%	1.976	1.437	3.413	-14%
Discount Rate	-1%	3.022	1.672	4.694	18%
Post-retirement mortality	-1 year	2.516	1.62	4.136	4%
Average retirement age	-1 year	2.553	1.546	4.099	3%
Continuation of membership at retirement	-10%	1.976	1.546	3.522	-11%

Assumption	Change	Current-service Cost (R)	Interest Cost (R)	Total (R)	% change
Central Assumption		142,400	333,900	476,300	
Health care inflation	1%	179,200	392,300	571,500	20%
Health care inflation	-1%	114,200	287,000	401,200	-16%
Discount Rate	1%	115,700	320,100	435,800	-9%
Discount Rate	-1%	177,600	348,200	525,800	10%
Post-retirement mortality	-1 year	147,500	347,500	495,000	4%
Average retirement age	-1 year	152,600	347,300	499,900	5%
Continuation of membership at retirement	-10%	113,700	298,400	412,100	-13%

4.2 Long Service Bonuses

The Long Service Bonus plans are defined benefit plans.

As at year end, the following number of employees were eligible for Long Service Bonuses.

47	44
%	%

Key actuarial assumptions used:

i) Rate of interest

Discount rate	8.58%	8.04%
General Salary Inflation (long-term)	7.24%	7.11%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	1.25%	0.87%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	1,088,395	965,444
Net liability	1,088,395	965,444

The municipality performed their first actuarial valuation on 30 June 2015. Thus there no experience adjustment figures available to fully comply with GRAP 25

Reconciliation of present value of fund obligation:

	2016 R	2015 R
Present value of fund obligation at the beginning of the year	1,073,337	970,613
Total expenses	51,509	97,999
Current service cost	89,078	84,491
Interest Cost	82,093	77,832
Benefits Paid	(119,662)	(64,324)
Actuarial (gains)/losses	69,227	4,725
Present value of fund obligation at the end of the year	1,194,073	1,073,337
Less: Transfer of Current Portion - Note 7	(105,678)	(107,893)
Balance 30 June	1,088,395	965,444

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Change	Liability (R)	% change
Central assumptions		1,194,000	
General salary inflation	1%	1,275,000	7%
General salary inflation	-1%	1,121,000	-6%
Discount Rate	1%	1,118,000	-6%
Discount Rate	-1%	1,279,000	7%
Average retirement age	-2 yrs	1,039,000	-13%
Average retirement age	2 yrs	1,352,000	13%
Withdrawal rates	-50%	1,414,000	18%

Assumption	Change	Current-service Cost (R)	Interest Cost (R)	Total (R)	% change
Central assumptions		89,100	82,100	171,200	
General salary inflation	1%	96,400	88,100	184,500	8%
General salary inflation	-1%	82,600	76,700	159,300	-7%
Discount Rate	1%	83,100	85,900	169,000	-1%
Discount Rate	-1%	95,900	77,500	173,400	1%
Average retirement age	-2 yrs	80,300	71,500	151,800	-11%
Average retirement age	2 yrs	98,600	94,200	192,800	13%
Withdrawal rates	-50%	114,800	99,300	214,100	25%

4.3 Ex Gratia Payments

The Ex Gratia plans are defined benefit plans.

As at year end, the following number of employees were eligible for Ex Gratia Payments

Key actuarial assumptions used:

i) Rate of interest

Discount rate

2016
R

2015
R

7
%

8
%

8.92%

8.47%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations

35,421

36,979

Net liability

35,421

36,979

The municipality performed their first actuarial valuation on 30 June 2015. Thus there no experience adjustment figures available to fully comply with GRAP 25

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year
Total expenses

36,979
(1,280)

31,555
2,683

Interest Cost
Benefits Paid

3,107
(4,387)

2,683
-

Actuarial (gains)/losses

(278)

2,741

Present value of fund obligation at the end of the year

35,421

36,979

Less: Transfer of Current Portion - Note

(592)

-

Balance 30 June

34,829

36,979

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Change	Liability (R)	% change
Central assumptions		35,421	
Discount rate	1%	33,861	-4%
Discount rate	-1%	37,102	5%
Average retirement age	-1 yrs	38,377	8%

Assumption	Change	Interest Cost (R)	Total (R)	% change
Central assumptions		3,107	3,107	
Discount rate	1%	3,292	3,292	6%
Discount rate	-1%	3,896	3,896	25%
Average retirement age	-1 yrs	3,352	3,352	8%

4.4 Retirement funds

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Pension and Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Pension and Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claim that the pensioner data to be confidential and were not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

Therefore, although both the Cape Joint Pension Fund and Cape Joint Retirement Fund are defined as defined benefit plans, it will be accounted for as defined contribution plans.

CAPE JOINT PENSION FUND

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2014 revealed that the fund is in an sound financial position with a funding level of 101.7% (30 June 2013 - 99.2%).

CAPE JOINT RETIREMENT FUND

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2015 revealed that the fund is in a sound financial position with a funding level of 153.1% (30 June 2014 - 101.7%).

	2016 R	2015 R
<u>DEFINED CONTRIBUTION PLANS</u>		
Council contribute to the Municipal Council Pension Fund and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.		
Contributions paid recognised in the Statement of Financial Performance	<u>1,071,789</u>	<u>1,353,780</u>
5 NON-CURRENT PROVISIONS		
Provision for Rehabilitation of Landfill-sites	19,016,813	7,869,843
Total Non-current Provisions	<u>19,016,813</u>	<u>7,869,843</u>
The reason for the increase in provision is due to the amendment of standards that dramatically increased the provision in cost of rehabilitating landfill sites.		
<u>Landfill Sites</u>		
Balance 1 July	7,869,843	2,103,066
Contribution for the year	<u>11,146,970</u>	<u>5,766,777</u>
Total provision 30 June	<u>19,016,813</u>	<u>7,869,843</u>
Balance 30 June	<u>19,016,813</u>	<u>7,869,843</u>
The estimated rehabilitation costs for each of the existing sites are based on the current rates for construction costs. The assumptions used are as follows: This rate used is also within the inflation target range of the South African Reserve Bank of between 3% to 6%.		
No provision for current portion is made due to fact that no amount were budgeted for rehabilitation. Currently there is no fixed date for rehabilitation of the landfill sites.		

	<i>Prince Albert</i>	<i>Leeu Gamka</i>	<i>Klaarstroom</i>
Area (m²)	24440m²	13860m²	5210m²

The municipality has an obligation to rehabilitate landfill sites at the end of the expected useful life of the asset.
Total cost and estimated date of decommission of the sites are as follows:

<u>Location</u>	<u>Estimated decommission date</u>	<u>Cost of rehabilitation 2016</u>	<u>Cost of rehabilitation 2015</u>
Prince Albert	2018	9,237,735	3,142,738
Leeu Gamka	2019	6,542,503	2,731,025
Klaarstroom	2035	3,236,575	1,996,081
		19,016,813	7,869,843

6	CONSUMER DEPOSITS	2016 R	2015 R
	Electricity	261,309	264,741
	Rent	7,488	7,488
	Water	146,109	122,475
	Total Consumer Deposits	414,906	394,704
	Guarantees held in lieu of Electricity and Water Deposits	-	-

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

7	CURRENT EMPLOYEE BENEFITS		
	Current Portion of Post Retirement Benefits - Note 4	259,102	271,981
	Staff Leave	967,123	1,140,734
	Bonuses	433,095	431,440
	Total Current Employee Benefits	1,659,320	1,844,155

The movement in current employee benefits are reconciled as follows:

<u>Staff Leave</u>		
Balance at beginning of year	1,140,734	946,257
Contribution to current portion	(54,852)	228,395
Expenditure incurred	(118,759)	(33,918)
Balance at end of year	967,123	1,140,734

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave. There is no possibility of reimbursement of the provision by a third party

<u>Bonuses</u>		
Balance at beginning of year	431,440	402,248
Contribution to current portion	1,655	29,192
Balance at end of year	433,095	431,440

Bonuses are being paid to all municipal staff, excluding section 57 Managers. The balance at year end represent to portion of the bonus that have already vested for the current salary cycle. There is no possibility of reimbursement.

8	TRADE AND OTHER PAYABLES	2016 R	2015 R
	Trade Payables	5,177,443	2,570,020
	Debtors with credit balances	380,865	376,529
	Retentions	582,067	528,983
	Other	6,241	840
	Payments received in advance	387	-
	Sundry Deposits	4,000	8,565
	Total Trade Payables	6,151,003	3,484,937
	Payables are being recognised net of any discounts.		
	Payables are being paid within 30 days as prescribed by the MFMA. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary. The carrying value of trade and other payables approximates its fair value.		
	Sundry deposits include hall, builders and housing Deposits.		
9	UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS		
	Unspent Grants	10,438,243	7,013,344
	National Government Grants	5,190,594	-
	Provincial Government Grants	5,247,649	7,013,344
	Less: Unpaid Grants	-	-
	Total Conditional Grants and Receipts	10,438,243	7,013,344
10	TAXES		
10.1	VAT PAYABLE		
	VAT output on exchange receivables	(87,732)	24,291
	Total Vat payable	(87,732)	24,291
10.2	VAT RECEIVABLE		
	VAT input on Trade payables	(1,212,677)	(454,845)
	VAT Control	(910,964)	(417,616)
	Total VAT receivable	(2,123,641)	(872,461)
10.3	NET VAT RECEIVABLE/(PAYABLE)	(2,211,373)	(848,170)
	VAT is receivable/payable on the cash basis.		

11	PROPERTY, PLANT AND EQUIPMENT	2016 R	2015 R
	<u>See attached sheet</u>		

	2016 R	2015 R
12 INVESTMENT PROPERTY		
Net Carrying amount at 1 July	13,296,642	13,858,446
Cost	14,438,955	15,022,155
Accumulated Depreciation	(11,068)	(9,264)
Accumulated Impairment	(1,131,245)	(1,154,445)
Depreciation for the year	(1,785)	(1,804)
Disposal	(6,692)	-
Net Carrying amount at 30 June	13,288,164	13,296,642
Cost	14,432,263	14,438,955
Accumulated Depreciation	(12,854)	(11,068)
Accumulated Impairment	(1,131,245)	(1,131,245)
There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.		
Revenue derived from the rental of investment property.	337,017	273,499

13 INTANGIBLE ASSETS		
Computer Software		
Net Carrying amount at 1 July	48,578	68,474
Cost	180,180	233,380
Accumulated Amortisation	(131,602)	(164,906)
Disposal	(19,046)	(6,638)
Additions	105,410	2,300
Amortisation	(23,624)	(15,554)
Net Carrying amount at 30 June	111,318	48,578
Cost	130,436	180,180
Accumulated Amortisation	(19,118)	(131,602)

Description	Remaining Amortisation Period	Carrying Value	
		2016 R	2015 R
Microsoft Office and Windows software	4	111,318	48,578

No intangible asset were assed having an indefinite useful life.

There are no internally generated intangible assets at reporting date.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities

There are no contractual commitments for the acquisition of intangible assets.

14	INVENTORY	2016 R	2015 R
	Consumable Stores	227,000	198,273
	Library stock	18,000	-
	Unsold Properties	219,420	219,420
	Water – at cost	5,930	10,590
	Total Inventory	470,350	428,283

15	TRADE RECEIVABLES FROM EXCHANGE TRANSACTIONS		
	Electricity	1,646,270	1,295,141
	Water	5,871,547	4,269,674
	Refuse	2,832,836	2,258,880
	Sewerage	2,991,680	2,564,060
	Fire Services	-	7,598
	Rent	148,965	131,170
	Debtors with credit balances	380,865	376,529
	Total Receivables from Exchange Transactions	13,872,163	10,903,052
	Less: Allowance for Doubtful Debts	(12,022,993)	(9,110,999)
	Total Net Receivables from Exchange Transactions	1,849,170	1,792,053

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary

Ageing of Receivables from Exchange Transactions:

(Electricity): Ageing

Current (0 - 30 days)	490,218	457,556
31 - 60 Days	139,185	166,762
61 - 90 Days	120,205	108,424
+ 90 Days	896,661	562,399
Total	1,646,270	1,295,141

(Water): Ageing

Current (0 - 30 days)	262,176	194,284
31 - 60 Days	167,329	157,849
61 - 90 Days	195,186	183,312
+ 90 Days	5,246,856	3,734,229
Total	5,871,547	4,269,674

(Refuse): Ageing

Current (0 - 30 days)	130,485	121,806
31 - 60 Days	90,370	85,066
61 - 90 Days	83,506	77,880
+ 90 Days	2,528,475	1,974,128
Total	2,832,836	2,258,880

(Sewerage): Ageing

Current (0 - 30 days)	65,590	83,971
31 - 60 Days	151,030	142,022
61 - 90 Days	141,645	125,505
+ 90 Days	2,633,415	2,212,562
Total	2,991,680	2,564,060

(Other): Ageing

Current (0 - 30 days)	(36,478)	14,073
31 - 60 Days	17,387	4,950
61 - 90 Days	21,469	4,841
+ 90 Days	146,587	114,905
Total	148,965	138,768

(Total): Ageing

	2016 R	2015 R
Current (0 - 30 days)	911,990	871,690
31 - 60 Days	565,302	556,648
61 - 90 Days	562,011	499,962
+ 90 Days	11,451,995	8,598,224
Total	13,491,298	10,526,523

Reconciliation of Provision for Bad Debts

Balance at beginning of year	9,110,999	6,492,536
Written off during the year	(188,835)	(180,673)
Contribution to provision	3,100,829	2,799,136
Balance at end of year	12,022,993	9,110,999

Concentrations of credit risk with respect to trade receivables are limited due to the municipality's large number of customers. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's trade receivables.

16 OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Rates	784,221	588,218
Other Receivables	10,851,449	8,592,444
Traffic Fines	10,224,741	7,262,271
Other Debtors	626,708	1,330,173
Total Receivables from Non-Exchange Transactions	11,635,670	9,180,662
Less: Allowance for Doubtful Debts	(10,445,739)	(7,528,533)
Total Net Receivables from Non-Exchange Transactions	1,189,931	1,652,129

Ageing of Receivables from Non-Exchange Transactions:

(Rates): Ageing

Current (0 - 30 days)	(11,033)	(73,398)
31 - 60 Days	32,325	31,229
61 - 90 Days	22,988	14,881
+ 90 Days	739,941	615,506
Total	784,221	588,218

Reconciliation of Provision for Bad Debts

Balance at beginning of year	7,528,533	12,217,065
Written off during the year	(2,550)	(7,336,446)
Contribution to provision	2,919,756	2,647,914
Balance at end of year	10,445,739	7,528,533

Concentrations of credit risk with respect to other receivables are limited due to the municipality's large number of customers. The municipality's historical experience in collection of other receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's other receivables.

17 OPERATING LEASE ARRANGEMENTS**The Municipality as Lessor (Asset)**

Balance on 1 July	54,869	64,376
Movement during the year	(19,809)	(9,507)
Balance on 30 June	35,060	54,869

At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will receive operating lease income as follows:

Up to 1 Year	249,552	194,617
1 to 5 Years	223,107	299,746
Total Operating Lease Arrangements	472,660	494,363

This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.

The leases are in respect of land and buildings being leased out for variable periods with the final lease ending in 2019

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CASH AND CASH EQUIVALENTS

Assets

	2016 R	2015 R
Call Investments Deposits	23,385,721	10,980,159
Primary Bank Account	2,018,465	147,906
Traffic Bank Account	1,232,939	-
Smart Meter Account	108,258	-
Cash Floats	2,850	1,700
Total Cash and Cash Equivalents - Assets	26,748,233	11,129,765

Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.

A Bank Guarantee is retained for ESKOM by ABSA Bank

9,960 9,960

The municipality has the following bank accounts:

Current Accounts

Prince Albert ABSA Bank - Account Number 2640560064 (Primary Bank Account):	2,018,465	147,906
	2,018,465	147,906

Savings accounts

Prince Albert ABSA Bank - Account Number 9074051846 (32 day notice):	-	-
Prince Albert ABSA Bank - Account Number 9287334653 (Savings Account):	23,385,721	10,980,159
	23,385,721	10,980,159

Prince Albert ABSA Bank - Account Number 2640560064 (Primary Bank Account):

Cash book balance at beginning of year	147,906	413,875
Cash book balance at end of year	2,018,465	147,906

Bank statement balance at beginning of year	783,726	1,683,142
Bank statement balance at end of year	2,081,479	783,726

Prince Albert ABSA Bank - Account Number 4063942217 (Traffic Account):

In Abakus the cashbook is combined with the primary bank account	N/A	N/A
Bank statement balance at beginning of year	623,071	54,221
Bank statement balance at end of year	1,233,489	623,071

Prince Albert ABSA Bank - Account Number 9287334653 (Savings Account):

Cash book balance at beginning of year	10,980,159	9,338,985
Cash book balance at end of year	23,385,721	10,980,159

Bank statement balance at beginning of year	10,922,552	9,295,049
Bank statement balance at end of year	23,230,619	10,922,552

Prince Albert ABSA Bank - Account Number 4086370253 (Smart Meter Account):

Cash book balance at beginning of year	-	-
Cash book balance at end of year	108,258	-
Bank statement balance at beginning of year	-	-
Bank statement balance at end of year	97,316	-

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PROPERTY RATES

Actual

Rateable Land and Buildings	3,213,810	2,941,403
Residential, Commercial Property, State	3,213,810	2,941,403
Less: Rebates	(488,824)	(479,361)
Total Assessment Rates	2,724,986	2,462,042

Valuations - General Valuation 1 July 2012

Rateable Land and Buildings		
Leeu-Gamka: Land and Buildings	25,345,200	25,345,200
Klaarstroom: Land and Buildings	13,384,900	13,384,900
Prince Albert: Land and Buildings	617,638,700	617,638,700
Rural: Land and Buildings	687,856,100	687,856,100
Welgemoed: Land and Buildings	8,811,500	8,811,500
Total Rateable Valuation	1,353,036,400	1,353,036,400

Valuations on land and buildings are performed every five years. The last interim valuation came into effect on 1 July 2015.

Rates:

Standard property rates excluding agriculture and vacant land
Agricultural
Vacant Land

2016 R	2015 R
c/R	c/R
0.396	0.370
0.095	0.093
0.515	0.370

Rates are levied annually and monthly. Monthly rates are payable by the 7th of the following month and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

20 GOVERNMENT GRANTS AND SUBSIDIES

Unconditional Grants

Equitable Share

Conditional Grants

Grants and donations

Total Government Grants and Subsidies

Government Grants and Subsidies - Capital
Government Grants and Subsidies - Operating

2016 R	2015 R
15,247,000	13,047,000
15,247,000	13,047,000
23,865,779	39,913,873
23,865,779	39,913,873
39,112,779	52,960,873
15,039,484	12,745,228
24,073,295	40,215,645
39,112,779	52,960,873

20.1 Equitable share

Grants received
Conditions met - Operating
Conditions still to be met

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

15,247,000	13,047,000
(15,247,000)	(13,047,000)
-	-

20.2 Local Government Financial Management Grant (FMG)

Opening balance
Grants received
VAT on conditional grants
Conditions met - Operating
Conditions met - Capital
Conditions still to be met

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

-	-
1,600,000	1,600,000
(3,355)	(69,937)
(1,421,490)	(1,530,063)
(175,155)	-
-	-

20.3 Municipal Systems Improvement Grant

Opening balance
Grants received
VAT on conditional grants
Conditions met - Operating
Conditions still to be met

The MSIG was used for building in-house capacity to perform municipal functions and stabilise institutional and governance systems.

-	-
942,000	934,000
-	(102,969)
(942,000)	(831,031)
-	-

20.4 Municipal Infrastructure Grant (MIG)

Opening balance
Grants received
VAT on conditional grants
Conditions met - Operating
Conditions met - Capital
Unspent grant

The grant was used to upgrade infrastructure in previously disadvantaged areas.

-	(343,760)
9,466,000	7,377,000
(900,836)	(833,203)
(373,300)	(207,704)
(5,510,102)	(5,992,333)
2,681,762	-

20.5	Housing Grants	2016	2015
		R	R
	Opening balance	5,813,344	3,460,751
	Grants received	5,000,000	25,352,035
	VAT on conditional grants	(722,697)	(90,594)
	Conditions met - Operating	(242,672)	(20,410,376)
	Conditions met - Capital	(5,100,326)	(2,498,472)
	Unspent grant	<u>4,747,649</u>	<u>5,813,344</u>
	Housing grants were utilised for upgrading infrastructure, the development of erven and the erection of top structures.		
20.6	Integrated National Electrification Grant		
	Opening balance	-	-
	Grants received	3,000,000	2,000,000
	VAT on conditional grants	(351,632)	(171,557)
	Conditions met - Capital	(2,648,368)	(1,828,443)
	Conditions still to be met	<u>-</u>	<u>-</u>
	The National Electrification Grant was used for electrical connections in previously disadvantaged areas.		
20.7	Other Grants		
	Opening balance	1,200,000	1,043,818
	Grants received	9,363,124	7,146,593
	VAT on conditional grants	(101,927)	(374,960)
	Conditions met - Operating	(5,846,833)	(4,189,471)
	Conditions met - Capital	(1,605,533)	(2,425,980)
	Conditions still to be met	<u>3,008,831</u>	<u>1,200,000</u>
	Various grants were received from other spheres of government (e.g. Library fund and Skills Development		
20.8	Total Grants		
	Opening balance	7,013,344	4,160,809
	Grants received	44,618,124	57,456,628
	VAT on conditional grants	(2,080,447)	(1,643,220)
	Conditions met - Operating	(24,073,295)	(40,215,645)
	Conditions met - Capital	(15,039,484)	(12,745,228)
	Conditions still to be met/(Grant expenditure to be recovered)	<u>10,438,242</u>	<u>7,013,344</u>
	Disclosed as follows:		
	Unspent Conditional Government Grants and Receipts	<u>10,438,243</u>	<u>7,013,344</u>
		<u>10,438,243</u>	<u>7,013,344</u>
	No grant funding in terms of the DORA were withheld or delayed		
21	FINES		
	Traffic fines	3,538,740	3,573,140
	Other fines	13,750	8,608
	Total Fines	<u>3,552,490</u>	<u>3,581,748</u>
	<i>Additional information to enable better understandings by user</i>		
	Provision for debt impairment	(2,788,646)	(2,964,853)
	<i>Recoverable fines</i>	<u>763,844</u>	<u>616,895</u>
22	SERVICE CHARGES		
	Electricity	12,812,909	10,895,030
	Water	4,061,800	4,099,179
	Refuse removal	1,845,152	1,717,896
	Sewerage and Sanitation Charges	<u>3,104,272</u>	<u>2,933,382</u>
	Less: Rebates	<u>21,824,133</u>	<u>19,645,487</u>
	Total Service Charges	<u>18,988,968</u>	<u>17,398,756</u>
	Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.		

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OTHER INCOME

	2016	2015
	R	R
Sundry income	54,416	114,267
Graveyard	23,441	12,551
Building plans	40,818	61,158
Photostats and Faxes	2,414	5,314
VAT on Grant	2,127,727	1,643,220
Fire brigade levies	-	27,831
Tender Documents	1,053	2,851
Festival Stall Sales	1,228	-
Training LGSETA	23,716	12,596
Refuse Bags	138	375
Rezoning fees	52,203	71,785
Library Lost Books And Fines	4,366	4,026
Valuation Certificates	11,168	13,874
Total Other Income	2,342,688	1,969,848

Sundry income represents sale of sundry items and fees for items not included under service charges

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EMPLOYEE RELATED COSTS

	2016	2015
	R	R
Bonus	598,168	641,614
Contributions for UIF, pensions and medical aids	1,485,013	1,353,780
Housing Subsidy	99,535	37,860
Leave Reserve Fund	(54,852)	228,395
Increase in Provision for Bonuses	1,655	29,192
Contribution to provisions	230,714	222,749
Overtime	472,927	621,977
Salaries and Wages	9,487,295	9,093,460
Travel, motor car, telephone, assistance and other allowances	673,647	819,445
Total Employee Related Costs	12,994,102	13,048,472

KEY MANAGEMENT PERSONNEL

Municipal Manager is appointed on a 5-year and all other Directors on a 5-year fixed contract. There are no post-employment or termination benefits payable to them at the end of the contract period.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Remuneration of the Municipal Manager

Annual remuneration	987,534	923,235
Car allowance	104,640	104,640
Housing allowance	18,000	18,000
Cell phone allowance	18,000	18,000
Contributions to medical and pension funds	35,261	31,637
Total	1,163,435	1,095,512

Remuneration of the Director Financial Services

Annual remuneration	723,375	676,878
Car allowance	96,000	96,000
Cell phone allowance	12,000	12,000
Contributions to medical and pension funds	139,888	127,795
Total	971,263	912,673

Remuneration of the Director Corporate Services

Annual remuneration	391,127	347,093
Car allowance	25,416	25,416
Cell phone allowance	12,000	12,000
Contributions to medical and pension funds	67,606	58,274
Total	496,150	442,783

Director Corporate Services was employed February 2014

Remuneration of the Director Technical Services

Annual remuneration	279,646	286,563
Car allowance	41,571	60,000
Cell phone allowance	8,000	12,000
Contributions to medical and pension funds	44,019	61,431
Total	373,237	419,995

Director Technical Services resigned February 2016

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REMUNERATION OF COUNCILLORS

Mayor	476,471	451,702
Deputy Mayor	212,395	202,754
Speaker	442,907	422,760
Councillors	663,034	616,866
Car Allowance	533,400	500,078
Cell phone Allowance	146,069	113,684
Contributions to medical and pension funds	111,446	102,726
Total Councillors' Remuneration	2,585,722	2,410,570

In-kind Benefits

The Executive Mayor and all the committee members are part-time. The Mayor are provided with secretarial support and an office at the cost of the Council.

Mayor

Annual Remuneration	476,471	451,702
Car Allowance	153,600	144,834
Cell phone Allowance	20,866	20,867
Contributions to medical and pension funds	80,827	74,736
Total	731,764	692,139

	2016 R	2015 R
Speaker		
Annual Remuneration	442,907	422,760
Car Allowance	122,400	115,415
Cell phone Allowance	20,866	20,867
Total	<u>586,173</u>	<u>559,042</u>
Deputy Mayor		
Annual Remuneration	212,395	202,754
Car Allowance	67,800	64,708
Cell phone Allowance	20,866	20,867
Contributions to medical and pension funds	30,398	27,990
Total	<u>331,459</u>	<u>316,319</u>
Councillors		
Annual Remuneration	663,034	616,866
Car Allowance	189,600	175,120
Cell phone Allowance	83,472	51,083
Total	<u>936,106</u>	<u>843,069</u>

26

DEBT IMPAIRMENT

Trade Receivables from exchange transactions - Note 15	2,700,904	2,575,840
Trade Receivables from non-exchange transactions - Note 16	<u>2,919,752</u>	<u>2,647,914</u>
Total Contribution to/(Reversal of) Impairment Provision	<u>5,620,656</u>	<u>5,223,754</u>

Additional information to enable better understanding by user

Trade Receivables from exchange transactions

Electricity	278,049	(59,304)
Water	1,368,175	1,511,764
Refuse	536,555	679,470
Sewerage	422,425	521,235
Other	95,700	(77,325)
	<u>2,700,904</u>	<u>2,575,840</u>

Trade Receivables from non exchange transactions

Rates	131,106	(316,939)
Traffic Fines	2,788,646	2,964,853
	<u>2,919,752</u>	<u>2,647,914</u>

27	DEPRECIATION AND AMORTISATION	2016	2015
		R	R
	Property Plant and Equipment	2,328,317	1,727,067
	Investment Property	1,785	1,804
	Intangible Assets	23,624	15,554
		<u>2,353,726</u>	<u>1,744,429</u>
28	REPAIRS AND MAINTENANCE		
	Buildings	78,734	264,194
	Equipment, furniture and fittings and computers	112,488	380,393
	Infrastructure	119,064	245,881
	Vehicles	323,616	287,201
		<u>633,902</u>	<u>1,177,669</u>

	2016	2015
	R	R
29 FINANCE CHARGES		
Landfill Sites	434,027	110,411
Finance leases	9,668	6,732
Post Employment Health	419,114	445,178
Total finance charges	862,809	562,321
30 BULK PURCHASES		
Electricity	7,525,471	6,748,255
Total Bulk Purchases	7,525,471	6,748,255
31 CONTRACTED SERVICES		
Engineering	1,698,790	206,884
Electricity	551,387	263,835
Financial, Internal Audit, Risk	4,305,251	2,750,440
Housing construction	180,876	20,410,377
IT consulting and software licencing	942,000	831,031
Other	26,819	47,269
	7,705,123	24,509,836
32 GENERAL EXPENSES		
Advertisements	74,780	56,453
EPWP Admin fees	48,266	-
Audit Fees	2,572,243	2,237,157
Bank Charges	191,203	178,950
Camera Fines	65,359	19,161
Cleaning Materials	29,505	37,170
Commission Pre-Paid Electricity	227,218	173,571
Deed of Transfer	7,912	9,665
Electricity	318,638	244,499
Electricity Cost of Sales	1,385,978	1,813,219
Entertainment Cost	29,870	32,288
Festivals	128,602	81,673
Fuel and Oil	433,971	491,316
Hall rental	900	-
Insurance	177,291	133,180
Legal Fees	45,867	156,772
Licences	71,333	97,457
Local economic development	24,940	27,512
Machine Rental	8,365	21,026
Material	92,122	290,177
Membership Fees and Levies	500,000	511,986
Office Rental CW's	19,716	7,778
Postage	129,981	119,977
Printing and Stationery	155,792	144,018
Refuse Bags	84,942	62,133
Rehabilitation Refuse Sites Expensed	-	5,505,717
Remuneration Ward Committees	154,841	183,950
Security	8,400	-
Skills development levy	100,357	96,784
Street Lights	52,635	27,829
Sundry	30,851	171,433
Telephone and communication costs	524,505	447,805
Training	27,409	28,329
Travel, Accommodation and Subsistence	1,275,727	1,434,417
Valuation Costs	27,667	57,881
Water Cost of Sales	313,748	67,146
Water Purification: Chorine	82,129	59,661
Water Research: Gouritz	31,208	16,336
Water Research: Levy	31,604	30,384
Workman's Compensation	99,334	88,473
Wreath and Bouquet	266	963
General Expenses	9,585,475	15,164,246
33 DISCLOSURE IN TERMS OF MFMA 123 (1) (c)		
Operating grant expenditure per vote		
Vote 1 - EXECUTIVE AND COUNCIL	-	-
Vote 2 - DIRECTOR FINANCE	7,186,625	25,438,318
Vote 3 - DIRECTOR PLANNING AND DEVELOPMENT	-	-
Vote 4 - DIRECTOR TECHNICAL SERVICES	-	-
	7,186,625	25,438,318

CORRECTION OF ERRORS IN TERMS OF GRAP 3

	2015 Previously reported	Adjustments for errors	Reclassification	2015 Restated
STATEMENT OF FINANCIAL POSITION				
Accumulated Surplus/(Deficit)	92,899,114	(3,584,811)	-	89,314,303
Long-term Liabilities	13,959	-	-	13,959
Long-term Employee benefits	4,680,403	-	-	4,680,403
Non-Current Provisions	7,869,843	-	-	7,869,843
Consumer deposits	394,704	-	-	394,704
Current employee benefits	1,844,155	-	-	1,844,155
Trade and other payables	3,133,131	351,806	-	3,484,937
Unspent Conditional Government Grants and Receipts	7,013,344	-	-	7,013,344
Current Portion of Long-term Liabilities	60,984	-	-	60,984
Total Net Assets and Liabilities	117,909,637	(3,233,005)	-	114,676,632
Property, Plant and Equipment	86,406,068	(2,415,566)	1,435,641	85,426,143
Investment Property	13,856,642	(560,000)	-	13,296,642
Intangible Assets	48,578	-	-	48,578
Capitalised Restoration Costs	1,435,641	-	(1,435,641)	-
Inventory	707,751	(279,468)	-	428,283
Trade Receivables from exchange transactions	1,792,053	-	-	1,792,053
Receivables from non-exchange transactions	1,158,129	494,000	-	1,652,129
Lease Asset	54,869	-	-	54,869
VAT Receivable	909,574	(61,404)	-	848,170
Cash and Cash Equivalents	11,540,334	(410,569)	-	11,129,765
Total Assets	117,909,639	(3,233,005)	-	114,676,632
REVENUE				
Property taxes	2,462,042	-	-	2,462,042
Government Grants and Subsidies - Capital	12,745,228	-	-	12,745,228
Government Grants and Subsidies - Operating	40,215,645	-	-	40,215,645
Public Contributions and Donations	1,000	-	-	1,000
Actuarial Gains	550,841	-	-	550,841
Fines	3,581,748	-	-	3,581,748
Service in Kind	-	-	1,497,319	1,497,319
Service Charges	17,541,217	(142,461)	-	17,398,756
Rental of Facilities and Equipment	273,499	-	-	273,499
Interest Earned - external investments	812,429	-	-	812,429
Interest Earned - outstanding debtors	710,981	-	-	710,981
Licences and Permits	261,181	(6,630)	-	254,551
Other Income	3,458,407	8,760	(1,497,319)	1,969,848
Total Revenue	82,614,218	(140,331)	-	82,473,887
EXPENDITURE				
Employee related costs	13,106,940	(58,468)	-	13,048,472
Remuneration of Councillors	2,410,570	-	-	2,410,570
Debt Impairment	5,223,754	-	-	5,223,754
Depreciation and Amortisation	1,744,429	-	-	1,744,429
Repairs and Maintenance	1,173,770	3,899	-	1,177,669
Actuarial losses	7,466	-	-	7,466
Finance Charges	562,321	-	-	562,321
Bulk Purchases	6,605,794	142,461	-	6,748,255
Contracted services	24,246,001	-	263,835	24,509,836
General Expenses	14,341,345	1,086,734	(263,835)	15,164,244
Profit/Loss on disposal of Property, Plant and Equipment	108,386	-	-	108,386
Total Expenditure	69,530,776	1,174,626	-	70,705,402
NET (DEFICIT)SURPLUS FOR THE YEAR	13,083,442	(1,314,957)	-	11,768,485

34.1	<u>Bank Corrections</u>	Debit	Credit
	Amount received in bank account before year end not receipted		
	Bank charges incorrectly posted		
	Bank charges traffic account		
	Difference on konica minolta debit order		
	Eskom debit order incorrectly posted		
	Incorrect Abakus duplicate payment cancellations		
	Payday integration differences		
	SOAL debit order incorrectly posted		
	Stale cheques that should have been written back in prior year		
	Vodacom debit order incorrectly posted		
	The correction entry was		
	Cash & Cash Equivalents	-	(410,569)
	Accumulated Surplus	185,378	-
	Employee related costs	-	(58,468)
	General Expenses	292,682	-
	License and Permits	-	(210)
	Other Income	-	(8,759)
	Repairs & Maintenance	-	(55)
34.2	<u>Building not in control of Prince Albert Municipality. Removed from Fixed Asset Register</u>	Debit	Credit
	Building not in control of Prince Albert Municipality. Removed from Fixed asset register.		
	The correction entry was		
	Accumulated Surplus	1,841,527	-
	Property Plant & Equipment	-	(1,281,527)
	Investment Property	-	(560,000)
34.3	<u>Deposit on erf taken directly to land sales in 2008</u>	Debit	Credit
	Deposit on sale of an erf were taken directly to sale of land. Error corrected.		
	The correction entry was		
	Accumulated surplus	4,565	-
	Trade and other payables	-	(4,565)
34.4	<u>Error on calculation of commission for motor vehicle licences</u>	Debit	Credit
	Error on calculation of commission for motor vehicle licences.		
	The correction entry was		
	License and Permits	6,840	-
	Receivables from Non exchange transactions	-	(6,000)
	Trade and other payables	-	(840)
34.5	<u>SALGA membership fees correction</u>	Debit	Credit
	SALGA membership fees prepaid and VAT treated incorrectly on said fees.		
	The correction entry was		
	General Expenses	-	(438,596)
	Taxes	-	(61,404)
	Receivables from Non exchange transactions	500,000	-
34.6	<u>Unused electricity treated as inventory and not income received in advance</u>	Debit	Credit
	Unused electricity treated as inventory and not income received in advance.		
	The correction entry was		
	Service charges	142,461	-
	Bulk Purchases	142,461	-
	Accumulated surplus	274,013	-
	Trade and other payables	-	(279,468)
	Inventory	-	(279,468)

34.7	<u>Year end creditors not provided</u>	Debit	Credit
	Year end creditors not provided for correctly.		
	The correction entry was		
	Repairs & Maintenance	3,954	-
	General Expenses	62,979	-
	Trade and other payables	-	(66,933)

34.8	<u>Landfill site cost incorrectly Capitalised</u>		
	Landfill site cost incorrectly Capitalised in the 2014/2015 financial year	1,169,669	-
	General Expenses	-	(1,169,669)
	Capitalised restoration cost		

35	RECONCILIATION BETWEEN NET SURPLUS/(DEFICIT) FOR THE YEAR AND CASH GENERATED/(ABSORBED) BY OPERATIONS	2016	2015
		R	R
	(Deficit) / Surplus for the year	22,290,978	11,768,485
	<u>Adjustments for:</u>		
	Depreciation	2,330,102	1,728,875
	Amortisation of Intangible Assets	23,624	15,554
	Loss on disposal of PPE	699,249	108,386
	Contribution to provisions	11,146,970	5,766,777
	Debt impairment	5,620,656	5,223,754
	Operating lease income accrued	19,809	9,507
	Operating (Deficit)/Surplus before changes in working capital	42,131,388	24,621,338
	Changes in working capital	(448,839)	(10,342,181)
	(Decrease)/Increase in Trade and Other Payables	2,666,066	(8,059,563)
	(Decrease) in Unspent Conditional Government Grants and Receipts	3,424,899	2,508,774
	Increase/(Decrease) in Taxes	(1,363,203)	986,362
	(Increase) in Inventory	(42,067)	57,800
	(Increase)/Decrease in Gross Debtors from exchange and non exchange	(5,215,575)	(6,289,355)
	(Decrease)/Increase in Employee benefits	81,041	110,041
	(Increase)/Decrease in Unpaid Conditional Government Grants and Receipts	-	343,760
	Cash (absorbed)/generated by operations	41,682,549	14,279,157

36	CASH AND CASH EQUIVALENTS		
	Cash and cash equivalents included in the cash flow statement comprise the following:		
	Call Investments Deposits - Note 18	23,385,721	10,980,159
	Cash Floats - Note 18	2,850	1,700
	Bank - Note 18	3,251,404	147,906
	Total cash and cash equivalents	26,639,975	11,129,765

37	RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES		
	Cash and Cash Equivalents - Note 36	26,639,975	11,129,765
	Less:	26,639,975	11,129,765
	Unspent Committed Conditional Grants - Note 9	11,907,403	7,013,344
	Capital Replacement Reserve	10,438,243	7,013,344
		1,469,160	-
	Resources available for working capital requirements	14,732,572	4,116,421

38	UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
	Long-term Liabilities - Note 3	73,782	74,943
	Used to finance property, plant and equipment - at cost	(73,782)	(74,943)
		-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act.

39 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

	2016 R	2015 R
39.1 Unauthorised expenditure		
Reconciliation of unauthorised expenditure:		
Opening balance	48,268,010	48,192,901
Unauthorised expenditure current year - operating	-	75,109
Unauthorised expenditure current year - Unspent grants utilised to fund operating expenditure	-	-
Written off by council	(48,268,010)	-
Unauthorised expenditure awaiting authorisation	-	48,268,010

Incident	Disciplinary steps/criminal proceedings
Over expenditure of approved budget	None

	2016 R (Actual)	2016 R (Budget)	2016 R (Unauthorised)
Unauthorised expenditure current year - operating			
Vote 1 - EXECUTIVE AND COUNCIL	4,963,162	5,412,540	-
Vote 2 - DIRECTOR FINANCE	14,334,050	19,455,651	-
Vote 3 - DIRECTOR CORPORATE	3,403,439	4,170,404	-
Vote 4 - DIRECTOR COMMUNITY	6,725,225	7,755,878	-
Vote 5 - DIRECTOR TECHNICAL SERVICES	21,209,585	22,919,440	-
	50,635,461	59,713,913	-
	2016 R (Actual)	2016 R (Budget)	2016 R (Unauthorised)
Unauthorised expenditure current year - capital			
Vote 1 - EXECUTIVE AND COUNCIL	-	-	-
Vote 2 - DIRECTOR FINANCE	197,138	204,500	-
Vote 3 - DIRECTOR CORPORATE	-	-	-
Vote 4 - DIRECTOR COMMUNITY	120,572	170,000	-
Vote 5 - DIRECTOR TECHNICAL SERVICES	14,921,300	35,626,477	-
	317,710	374,500	-

UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED (CONTINUE)

	2016 R	2015 R
39.2 Fruitless and wasteful expenditure		
Reconciliation of fruitless and wasteful expenditure:		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Written off by council	-	-
Transfer to receivables for recovery	-	-
Fruitless and wasteful expenditure awaiting further action	-	-
	-	-
39.3 Irregular expenditure		
Opening balance	7,016,090	7,016,090
Irregular expenditure current year	7,677,415	7,990,065
Written off by council	(14,531,383)	(7,990,065)
Transfer to receivables for recovery	-	-
Irregular expenditure awaiting further action	162,122	7,016,090
	162,122	7,016,090
Incident	Disciplinary steps/criminal proceedings	
Non compliance with SCM during 2015/2016	None	
	7,677,415	7,990,065

39.4 Material Losses

Water distribution losses		
- Kilo litres disinfected/purified/purchased	779,111	486,945
- Kilo litres lost during distribution	132,669	42,364
- Percentage lost during distribution	17.03%	8.70%
- Value of distribution losses	R 170,479	R 98,441
Electricity distribution losses		
- Units purchased (Kwh)	10,731,967	10,761,168
- Units lost during distribution (Kwh)	1,334,798	888,682
- Percentage lost during distribution	12.44%	8.26%
- Value of distribution losses	R 1,108,350	R 663,796

40 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

40.1 Contributions to organised local government - [MFMA 125 (1)(b)] - SALGA CONTRIBUTIONS

	2016 R	2015 R
Opening balance	-	250,000
Council subscriptions	500,000	500,000
Amount paid - current year	(500,000)	(750,000)
Balance unpaid (included in creditors)	-	-

40.2 Audit fees - [MFMA 125 (1)(b)]

Opening balance	302,815	-
Current year audit fee	2,572,243	2,539,972
External Audit - Auditor-General	2,572,243	2,539,972
Amount paid - current year	(2,572,243)	(2,237,157)
Balance unpaid (included in creditors)	302,815	302,815

40.3 VAT - [MFMA 125 (1)(b)]

Opening balance	417,616	1,678,116
VAT inputs	3,882,709	3,321,440
VAT outputs	(2,451,937)	(2,173,310)
Received	(937,423)	(2,408,630)
Closing balance - Receivable	910,964	417,616
Vat control account	910,964	417,616

VAT is payable/receivable on the cash basis. VAT is only paid over to SARS once cash is received from debtors and only claimed from SARS once payment is made to creditors.

40.4 PAYE, SDL and UIF - [MFMA 125 (1)(b)]

Opening balance	-	-
Current year payroll deductions and Council Contributions	2,580,366	2,401,365
Amount paid - current year	(2,580,366)	(2,401,365)
Balance unpaid (included in creditors)	-	-

40.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(b)]

Opening balance	-	-
Current year payroll deductions and Council Contributions	1,862,239	2,080,299
Amount paid - current year	(1,862,239)	(2,080,299)
Balance unpaid (included in creditors)	-	-

During the year the following councillor was outstanding for more than 90 days

Councillor	Period	Highest amount outstanding for more than 90 days
I.J. Windvogel	December 2015 to March 2016	1,027

40.7 Deviations from supply chain management policy

	Sole Supplier	Emergency	Other	Total
Deviations from SCM	1,768,650	3,520	534,000	2,306,170

40.8 Non-compliance with the Municipal Finance Management Act

40.9 Service in State

Company name	Related person	Company Capacity	Capacity at State / Municipality	Relationship	State department	Payments
Jan Nel Elektries Aurecon	Jan Nel Various	Owner Various	Teacher Various	Spouse Various	WCED Various	891,043 1,688,341
					2016 R	2015 R
CAPITAL COMMITMENTS						
Commitments in respect of capital expenditure excluding VAT:						
Approved and contracted for:						6,310,218 6,483,982
Total commitments consist out of the following:						
Infrastructure and Sports Fields						6,310,218 6,483,982
						6,310,218 6,483,982
This expenditure will be financed from:						
Government Grants						6,310,218 6,483,982
						6,310,218 6,483,982

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

The municipality does not engage in foreign currency transactions.

The municipality is not exposed to price risk.

As the municipality has significant interest earning deposits, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:

	2016 R	2015 R
1% (2015 - 1%) Increase in interest rates	266,716	114,637
0.5% (2015 - 0.5%) Decrease in interest rates	(133,358)	(57,318)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur a financial loss.

Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Trade and other debtors are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. On-going credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

All rates and services are payable within 30 days from invoice date. Refer to note 15 and 16 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms. Also refer to note 15 for balances included in receivables that were re-negotiated for the period under review.

Balances past due not impaired:

Exchange Debtors

Electricity	4.08%	490,218	5.02%	457,556
Water	2.18%	262,176	2.13%	194,284
Refuse	1.09%	130,485	1.34%	121,806
Sewerage	0.55%	65,590	0.92%	83,971
Other	-0.30%	(36,478)	0.15%	14,073
	7.59%	911,990	9.57%	871,690

No trade and other receivables are pledged as security for financial liabilities.

Due to the short term nature of trade and other receivables the carrying value disclosed in note 15 and 16 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2016 %	2016 R	2015 %	2015 R
<u>Exchange Debtors</u>				
Electricity	5.83%	700,396	4.71%	429,438
Water	46.65%	5,609,186	43.81%	3,991,221
Refuse	22.55%	2,710,830	23.26%	2,119,378
Sewerage	22.78%	2,738,858	25.00%	2,277,553
Other	2.19%	263,724	0.50%	293,410
	100.00%	12,022,993	100%	9,110,999

The provision for bad debts could be allocated between the different categories of debtors as follows:

Government	0.00%	-	2.28%	207,486
Commercial	3.27%	392,728	2.66%	241,973
Municipal	0.00%		0.00%	
Residential	94.96%	11,416,680	94.48%	8,608,323
Other	1.78%	213,585	0.58%	53,217
	100.00%	12,022,993	100%	9,110,999

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment.

	2016 R	2015 R
Financial assets exposed to credit risk at year end are as follows:		
Trade receivables and other receivables	3,039,101	3,444,182
Cash and Cash Equivalents	26,748,233	11,129,765
	<u>29,787,334</u>	<u>14,573,947</u>

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an on-going review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
2016				
Long Term liabilities	43,931	39,482	-	-
Capital repayments	37,531	36,253	-	-
Interest	6,400	3,229	-	-
Trade and Other Payables	6,151,003	-	-	-
Unspent conditional government grants and receipts	10,438,243	-	-	-
Cash and Cash Equivalents	-	-	-	-
	<u>16,633,177</u>	<u>39,482</u>	<u>-</u>	<u>-</u>
2015				
Long Term liabilities	65,102	17,557	-	-
Capital repayments	60,984	13,959	-	-
Interest	4,118	3,598	-	-
Trade and Other Payables	3,484,097	-	-	-
Unspent conditional government grants and receipts	7,013,344	-	-	-
	<u>10,562,543</u>	<u>17,557</u>	<u>-</u>	<u>-</u>

		2016 R	2015 R
43	FINANCIAL INSTRUMENTS		
	In accordance with GRAP 104 the financial instruments of the municipality are classified as follows: The fair value of financial instruments approximates the amortised costs as reflected below.		
43.1	Financial Assets		
	Classification		
	Consumer Debtors		
	Trade receivables from exchange transactions	1,849,170	1,792,053
	Short-term Investment Deposits		
	Call Deposits	23,385,721	10,980,159
	Bank Balances and Cash		
	Bank Balances	3,251,404	147,906
	Cash Floats and Advances	2,850	1,700
		28,489,145	12,921,818
	SUMMARY OF FINANCIAL ASSETS		
	Financial instruments at amortised cost	28,489,145	12,921,818
	At amortised cost	28,489,145	12,921,818
	FINANCIAL INSTRUMENTS (CONTINUE)		
43.2	Financial Liability		
	Classification		
	Long-term Liabilities		
	Capitalised Lease Liability	36,251	13,959
	Trade Payables		
	Trade creditors	5,177,443	2,570,020
	Debtors with credit balances	380,865	376,529
	Retentions	582,067	528,983
	Deposits	4,000	8,565
	Other		
	Current Portion of Long-term Liabilities		
	Capitalised Lease Liability	37,531	60,984
		6,218,158	3,559,040
	SUMMARY OF FINANCIAL LIABILITY		
	Financial instruments at amortised cost	6,218,158	3,559,040
44	STATUTORY RECEIVABLES		
	Taxes		
	VAT receivable	2,211,373	848,170
	Other receivables for non exchange transactions		
	Rates	784,221	588,218
	Traffic fines	10,224,741	7,262,271
		11,008,962	7,850,489
45	EVENTS AFTER THE REPORTING DATE		
	The municipality has no events after reporting date during the financial year ended 2015/2016.		
46	PRIVATE PUBLIC PARTNERSHIPS		
	Council has not entered into any private public partnerships during the financial year.		

		2016 R	2015 R
47	CONTINGENT LIABILITY		
	No contingent liabilities at year end.		
48	RELATED PARTIES		
48.1	Related Parties		
		Outstanding balances on municipal accounts	
	Councillors		
	G. Lottering	303	315
	N.D. Jaftha	-	-
	N.S. Abrahams	244	213
	I.J. Windvogel	541	65
	L. Jaquet	-	-
	S. Botes	604	532
	C. Stols	-	-
		1,691	1,125
	Key Management		
	H.F.W. Mettler	-	-
	J.D. Neethling	-	-
	A. Vorster	-	-
	Please note not all related parties have municipal accounts		
48.2	Related Party Transactions		
	The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.		
48.3	Related Party Loans		
	No loans were granted to councillors or senior management employees.		
48.4	Compensation of key management personnel		
	The compensation of key management personnel is set out in note 24 to the Annual Financial Statements.		
48.5	Other related party transactions		
	The following purchases were made during the year where Councillors or staff have an interest:		
	None		
49	SERVICE IN KIND		
	As per GRAP 23 par 99-107 the following transactions are regarded as service in kind		
	Johan Pieterse - MISA (Municipal Infrastructure Support Agency) advisor	776,694	-
	The auditor General - Audit fees over and above 1% contributed by National Treasury	2,036,376	1,497,319
	Total	2,813,071	1,497,319

APPENDIX A - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2016

EXTERNAL LOANS	Rate	Redeemable	Balance at 30 JUNE 2015	Received during the period	Redeemed written off during the period	Balance at 30 JUNE 2016
ANNUITY LOANS				-		-
Total Annuity Loans			-	-	-	-
LEASE LIABILITY						
7 Tablets - new			36,246		24,929	11,317
Minolta B283			11,408		10,509	899
Minolta B501			22,074		20,333	1,741
Minolta C280			5,215		5,215	0
Minolta Bizhub C284E			-	74,015	14,190	59,825
TOTAL EXTERNAL LOANS			74,943	74,015	75,176	73,782

APPENDIX B - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 30 JUNE 2015	Correction of error	Balance 30 JUNE 2015	Grants Received	Capital Expenditure during the year Transferred to Revenue	Operating Expenditure during the year Transferred to Revenue	VAT Recognised	Balance 30 June 2016
UNSPENT AND UNPAID GOVERNMENT GRANTS	R	R	R	R	R	R		R
<u>National Government Grants</u>								
Equitable Share	-	-	-	15,247,000	-	15,247,000	-	-
Local Government Financial Management Grant	-	-	-	1,600,000	175,155	1,421,490	3,355	-
Municipal Infrastructure Grant	-	-	-	9,466,000	5,510,102	373,300	900,836	2,681,762
Municipal Systems Improvement Grant	-	-	-	942,000	-	942,000	-	-
EPWP	-	-	-	1,000,000	-	1,000,000	-	-
Integrated National Electrification Program	-	-	-	3,000,000	2,648,368	-	351,632	-
Total National Government Grants	-	-	-	31,255,000	8,333,625	18,983,790	1,255,823	2,681,762
<u>Provincial Government Grants</u>								
Sport & Recreation	-	-	-	-	-	-	-	-
Financial Management Improvement Grant	-	-	-	5,535,124	138,050	2,811,825	76,417	2,508,832
CDW	-	-	-	72,000	-	72,000	-	-
Thusong Centre	-	-	-	211,000	-	211,000	-	-
Roads Maintenance	-	-	-	30,000	-	26,819	3,182	(1)
Housing Beneficiaries	907,686	726,808	180,878	-	-	180,876	-	2
Accelareted housing	4,905,658	(726,808)	5,632,466	5,000,000	5,100,326	61,796	722,697	4,747,647
Infrastructure support grant	1,200,000	-	1,200,000	237,000	1,182,246	237,000	17,754	-
Electricity Master Plan	-	-	-	250,000	-	250,000	-	-
Drought Relief	-	-	-	500,000	-	-	-	500,000
Advertising sms's	-	-	-	29,000	-	25,439	3,561	-
IDP related Projects	-	-	-	200,000	198,987	-	1,013	-
Library Grant	-	-	-	1,299,000	86,250	1,212,750	-	-
Total Provincial Government Grants	7,013,344	-	7,013,344	13,363,124	6,705,859	5,089,505	824,624	7,756,480
<u>Other Grant Providers</u>								
EPWP District Mun.	-	-	-	-	-	-	-	-
Total Other Grant Providers	-	-	-	-	-	-	-	-
Total	7,013,344	-	7,013,344	44,618,124	15,039,484	24,073,295	2,080,447	10,438,242

APPENDIX C(1) - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
REVENUE AND EXPENDITURE (STANDARD CLASSIFICATION)

Description	2015/2016						2014/2015	
	Original Budget	Budget Adjustments (I.L.O. MFMA s28)	Final adjustments budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
R thousand								
<u>Revenue - Standard</u>								
<i>Governance and administration</i>	23,551	37,140	60,691	36,700	(23,990)	60.5%	155.8%	50,275
Executive and council	2,273	—	2,273	2,277	4	100.2%	100.2%	1,866
Budget and treasury office	20,293	37,127	57,420	33,070	(24,349)	57.6%	163.0%	47,482
Corporate services	985	13	998	1,354	356	135.6%	137.4%	927
<i>Community and public safety</i>	11,972	(5,170)	6,802	6,531	(271)	96.0%	54.6%	6,292
Community and social services	2,259	—	2,259	2,181	(78)	96.5%	96.5%	1,894
Sport and recreation	283	—	283	283	—	100.0%	100.0%	283
Public safety	9,430	(5,170)	4,260	4,068	(192)	95.5%	43.1%	4,115
Housing	—	—	—	—	—	—	—	—
Health	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>	2,022	26	2,048	2,475	427	120.8%	122.4%	1,673
Planning and development	300	—	300	—	(300)	—	—	200
Road transport	1,722	26	1,748	2,475	727	141.6%	143.7%	1,473
Environmental protection	—	—	—	—	—	—	—	—
<i>Trading services</i>	26,530	(201)	26,329	27,220	891	103.4%	102.6%	24,235
Electricity	15,853	(707)	15,146	15,640	494	103.3%	98.7%	13,499
Water	4,290	390	4,680	4,993	313	106.7%	116.4%	4,521
Waste water management	3,981	116	4,097	4,123	27	100.7%	103.6%	3,913
Waste management	2,406	—	2,406	2,464	57	102.4%	102.4%	2,303
<i>Other</i>	—	—	—	—	—	—	—	—
Total Revenue - Standard	64,074	31,795	95,869	72,926	(22,943)	76.1%	113.8%	82,474
<u>Expenditure - Standard</u>								
<i>Governance and administration</i>	19,241	8,948	28,189	21,372	(6,817)	75.8%	111.1%	38,250
Executive and council	5,344	70	5,414	4,963	(450)	91.7%	92.9%	5,039
Budget and treasury office	10,270	8,783	19,052	13,281	(5,772)	69.7%	129.3%	30,104
Corporate services	3,627	96	3,723	3,128	(595)	84.0%	86.2%	3,106
<i>Community and public safety</i>	11,541	(3,786)	7,755	6,725	(1,030)	86.7%	58.3%	6,793
Community and social services	2,679	(212)	2,466	2,110	(356)	85.6%	78.8%	2,069
Sport and recreation	535	(81)	454	342	(112)	75.4%	64.0%	321
Public safety	8,327	(3,493)	4,834	4,273	(562)	88.4%	51.3%	4,403
Housing	—	—	—	—	—	—	—	—
Health	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>	4,180	823	5,003	5,315	313	106.3%	127.2%	4,258
Planning and development	467	(20)	447	275	(172)	61.5%	58.9%	382
Road transport	3,713	843	4,555	5,040	485	110.6%	135.8%	3,876
Environmental protection	—	—	—	—	—	—	—	—
<i>Trading services</i>	18,817	(50)	18,767	17,223	(1,545)	91.8%	91.5%	21,404
Electricity	12,890	(89)	12,802	10,113	(2,689)	79.0%	78.5%	9,332
Water	1,690	100	1,790	2,683	893	149.9%	158.7%	2,670
Waste water management	2,574	(121)	2,453	2,580	126	105.1%	100.2%	2,114
Waste management	1,662	59	1,722	1,847	126	107.3%	111.1%	7,288
<i>Other</i>	—	—	—	—	—	—	—	—
Total Expenditure - Standard	53,779	5,935	59,714	50,635	(9,078)	84.8%	94.2%	70,705
Surplus/(Deficit) for the year	10,296	25,859	36,155	22,291	(13,864)	61.7%	216.5%	11,768

APPENDIX C(2) - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
REVENUE AND EXPENDITURE (MUNICIPAL VOTE CLASSIFICATION)

Description R thousand	2015/2016							2014/2015
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
Revenue by Vote								
Vote 1 - Executive and Council	2,273	–	2,273	2,277	4	100.2%	100.2%	1,866
Vote 2 - Director Finance	20,293	37,127	57,420	33,070	(24,349)	57.6%	163.0%	47,482
Vote 3 - Director Corporate	1,285	13	1,298	1,342	44	103.4%	104.4%	1,127
Vote 4 - Director Community	11,972	(5,170)	6,802	6,531	(271)	96.0%	54.6%	6,292
Vote 5 - Director Technical Services	28,252	(175)	28,077	29,706				25,708
Total Revenue by Vote	64,074	31,795	95,869	72,926	(22,943)	76.1%	113.8%	82,474
Expenditure by Vote to be appropriated								
Vote 1 - Executive and Council	5,343	70	5,413	4,963	(449)	91.7%	92.9%	5,039
Vote 2 - Director Finance	10,270	9,186	19,456	14,334	(5,122)	73.7%	139.6%	31,006
Vote 3 - Director Corporate	4,095	76	4,170	3,403	(767)	81.6%	83.1%	3,489
Vote 4 - Director Community	11,542	(3,786)	7,756	6,725	(1,031)	86.7%	58.3%	6,793
Vote 5 - Director Technical Services	22,530	390	22,919	21,210	(1,710)	92.5%	94.1%	24,377
Total Expenditure by Vote	53,779	5,935	59,714	50,635	(9,078)	84.8%	94.2%	70,705
Surplus/(Deficit) for the year	10,296	25,859	36,155	22,291	(13,864)	61.7%	216.5%	11,768

APPENDIX C(3) - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
REVENUE AND EXPENDITURE

Description R thousand	2015/2016							2014/2015
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
Revenue By Source								
Property rates	2,721	(40)	2,681	2,725	44	101.7%	100.2%	2,462
Service charges	18,798	(691)	18,107	18,989	882	104.9%	101.0%	17,399
Rental of facilities and equipment	323	58	381	337	(43)	88.6%	104.5%	273
Interest earned - external investments	500	810	1,310	1,622	312	123.8%	324.5%	812
Interest earned - outstanding debtors	600	400	1,000	956	(44)	95.6%	159.3%	711
Fines	8,952	(5,170)	3,782	3,552	(230)	93.9%	39.7%	3,582
Licences and permits	220	-	220	264	44	120.1%	120.1%	255
Transfers recognised - operating	21,250	20,234	41,484	24,073	(17,411)	58.0%	113.3%	40,216
Other revenue	418	3,631	4,049	5,334	1,286	131.8%	1276.8%	4,019
Gains on disposal of PPE	-	-	-	33	33	#DIV/0!	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)	53,782	19,232	73,013	57,887	(15,126)	379.7%	107.6%	69,729
Expenditure By Type								
Employee related costs	14,248	(510)	13,738	12,994	(744)	94.6%	91.2%	13,048
Remuneration of councillors	2,582	-	2,582	2,586	4	100.1%	100.1%	2,411
Debt impairment	8,750	(3,450)	5,300	5,621	321	106.1%	64.2%	5,224
Depreciation & asset impairment	1,895	-	1,895	2,354	459	124.2%	124.2%	1,744
Finance charges	300	270	570	863	293	151.4%	287.6%	562
Bulk purchases	9,581	(110)	9,471	7,525	(1,946)	79.5%	78.5%	6,748
Other materials	-	-	-	-	-	-	-	-
Contracted services	1,292	595	1,887	7,705	5,819	408.4%	596.4%	24,510
Transfers and grants	-	-	-	-	-	-	-	-
General Expenses	15,130	8,954	24,084	10,289	(13,795)	42.7%	68.0%	16,349
Loss on disposal of PPE	-	-	-	699	699	#DIV/0!	#DIV/0!	108
Total Expenditure	53,779	5,748	59,527	50,635	(8,891)	1035.6%	94.2%	70,705
Surplus/(Deficit)	3	13,483	13,486	7,251	(6,235)	53.8%	238331.4%	(977)
Transfers recognised - capital	10,293	3,113	13,406	15,039	1,634	112.2%	146.1%	12,745
Contributions recognised - capital	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	10,296	16,596	26,892	22,291	(4,601)	82.9%	216.5%	11,768

APPENDIX C(4) - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING

Description	2015/2016							2014/2015
	Original Budget	Budget Adjustments (i.l.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
R thousand								
Capital expenditure - Vote					-	-	-	
Single-year expenditure								
Vote 1 - Executive and Council	-	-	-	-	-	-	-	-
Vote 2 - Director Finance	200	242	442	197	(244)	44.7%	98.6%	-
Vote 3 - Director Corporate	-	4,500	4,500	-	(4,500)	-	-	297
Vote 4 - Director Community	2,150	3,371	5,521	121	(5,401)	2.2%	5.6%	-
Vote 5 - Director Technical Services	7,943	17,984	25,926	14,921	(11,005)	57.6%	187.9%	20,108
Capital single-year expenditure	10,293	26,096	36,389	15,239	(21,150)	42%	148%	20,405
Total Capital Expenditure - Vote	10,293	26,096	36,389	15,239	(21,150)	42%	148%	20,405
Capital Expenditure - Standard					-	-	-	
Governance and administration	200	4,742	4,942	887	(4,055)	17.9%	443.5%	27
Executive and council	-	-	-	-	-	-	-	17
Budget and treasury office	200	242	442	868	427	196.6%	434.1%	-
Corporate services	-	4,500	4,500	19	(4,481)	0.4%	#DIV/0!	10
Community and public safety	2,150	3,571	5,721	634	(5,087)	11.1%	29.5%	264
Community and social services	-	5,170	5,170	121	(5,049)	2.3%	#DIV/0!	264
Sport and recreation	2,150	(1,799)	351	332	(20)	94.4%	15.4%	-
Public safety	-	200	200	182	(18)	91.1%	#DIV/0!	-
Housing	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Economic and environmental services	830	(0)	830	700	(129)	84.4%	84.4%	9,470
Planning and development	-	-	-	6	6	#DIV/0!	#DIV/0!	-
Road transport	830	(0)	830	694	(136)	83.6%	83.6%	9,470
Environmental protection	-	-	-	-	-	-	-	-
Trading services	7,113	17,784	24,897	13,150	(11,747)	52.8%	184.9%	10,644
Electricity	3,000	-	3,000	2,658	(342)	88.6%	88.6%	6
Water	2,159	4,348	6,506	2,114	(4,392)	32.5%	97.9%	6,178
Waste water management	1,954	13,436	15,391	8,358	(7,033)	54.3%	427.6%	4,460
Waste management	-	-	-	20	20	#DIV/0!	#DIV/0!	-
Other	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	10,293	26,096	36,389	15,372	(21,018)	42%	149%	20,405
Funded by:					-	-	-	
National Government	10,293	3,000	13,293	8,334	(4,959)	62.7%	81.0%	9,257
Provincial Government	-	13,430	13,430	6,706	(6,724)	49.9%	#DIV/0!	10,989
District Municipality	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-
Transfers recognised - capital	10,293	16,430	26,723	15,039	(11,683)	56%	146%	20,245
Public contributions & donations	-	9,500	9,500	-	(9,500)	-	-	-
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	-	167	167	200	33	119.8%	#DIV/0!	160
Total Capital Funding	10,293	26,096	36,389	15,239	(21,150)	42%	148%	20,405

APPENDIX G - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
CASH FLOWS

Description R thousand	2015/2016							2014/2015
	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts					-	-	-	
Ratepayers and other	22,555	(7,729)	14,826	29,445	14,619	198.6%	130.5%	25,539
Government - operating	23,530	17,954	41,484	24,073	(17,411)	58.0%	102.3%	40,216
Government - capital	7,293	6,113	13,406	15,039	1,634	112.2%	206.2%	12,745
Interest	500	1,210	1,710	2,578	868	150.8%	515.6%	1,523
Dividends	-	-	-	-	-	-	-	-
Payments					-	-	-	
Suppliers and employees	(41,397)	(1,079)	(42,476)	(28,590)	13,886	67.3%	69.1%	(65,182)
Finance charges	-	270	270	(863)	(1,133)	-319.6%	#DIV/0!	(562)
Transfers and Grants	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	12,481	16,738	29,220	41,683	12,463	142.7%	334.0%	14,279
CASH FLOWS FROM INVESTING ACTIVITIES					-	-	-	
Receipts					24,925	-	-	
Purchase of Property, Plant and Equipment	-	-	-	-	-	-	-	-
Disposal of Investment Properties	-	-	-	7	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-
Payments					-	-	-	
Capital assets	(10,293)	(26,096)	(36,389)	(26,090)	10,299	71.7%	253.5%	(12,718)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(10,293)	(26,096)	(36,389)	(26,083)	10,306	71.7%	253.4%	(12,718)
CASH FLOWS FROM FINANCING ACTIVITIES					-	-	-	
Receipts					-	-	-	
Short term loans	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	74	74	#DIV/0!	#DIV/0!	49
Increase (decrease) in consumer deposits	-	-	-	20	20	#DIV/0!	#DIV/0!	20
Payments					20,699	-	-	
Repayment of borrowing	-	-	-	(75)	(75)	#DIV/0!	#DIV/0!	(68)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	19	19	#DIV/0!	#DIV/0!	2
NET INCREASE/ (DECREASE) IN CASH HELD	2,189	(9,358)	(7,169)	15,618	22,788	-217.9%	713.6%	1,563
Cash/cash equivalents at the year begin:	564	15,810	16,374	11,130	(5,244)	68.0%	1972.5%	9,569
Cash/cash equivalents at the year end:	2,753	6,452	9,205	26,748	17,563	290.6%	971.6%	11,130

APPENDIX D - Unaudited
PRINCE ALBERT LOCAL MUNICIPALITY
SCHEDULE OF SCM DEVIATIONS FOR THE YEAR ENDED 30 JUNE 2016

SUPPLIER	GOODS / SERVICES	AMOUNT	REASON
CAB HOLDINGS	Printing of accounts	8,500	Sole supplier
IGNITE	Performance system	3,954	Sole supplier
KOBUS FREY LANDBOU DIENSTE	Repairs and maintenance vehicles (Only supplier prepared to visit municipality to prepare quote)	25,646	Sole supplier
PALSECURITY & SERVICES	Alarm system	6,431	Sole supplier
JS MARAIS	Manufacture of burglar bars	6,900	Sole supplier
VSR DIGGING	Sand	52,000	Sole supplier
NATIONAL GARAGE	Sale of prepaid electricity	9,220	Sole supplier
H PIEDT	Sale of prepaid electricity	7,579	Sole supplier
H PIEDT	Sale of prepaid electricity	7,308	Sole supplier
NATIONAL GARAGE	Sale of prepaid electricity	11,666	Sole supplier
WALTONS	Purchase of chairs (Only 2 suppliers provided quotes)	12,750	Sole supplier
WESKAAP LABORATORIUM DIENST	Water tests	13,496	Sole supplier
JAN NEL ELEKTRIES	Electrical services	154,131	Sole supplier
IGNITE	Performance system	3,105	Sole supplier
AUTACS SIGNS	Traffic signs (only 2 suppliers provided quotes)	12,252	Sole supplier
PRICE WATERHOUSE COOPERS	Asset count	21,552	Sole supplier
DIE BURGER	Advertisements (only widely circulated newspaper in municipal area that also cover rest of Western Cape)	8,892	Sole supplier
KOBUS FREY LANDBOU DIENSTE	Repairs and maintenance vehicles (Only supplier prepared to visit municipality to prepare quote)	27,004	Sole supplier
KOBUS FREY LANDBOU DIENSTE	Repairs and maintenance vehicles (Only supplier prepared to visit municipality to prepare quote)	28,687	Sole supplier
H PIEDT	Sale of prepaid electricity	9,254	Sole supplier
NATIONAL GARAGE	Sale of prepaid electricity	9,257	Sole supplier
WALTONS	Chairs (was on promotion)	5,039	Sole supplier
TYRES TREADS	Tyres	3,520	Emergency
JAN NEL ELEKTRIES	Pumps (Only received 1 quote)	21,660	Sole supplier
JAN NEL ELEKTRIES	Electrical services	37,447	Sole supplier
METSI CHEM IKAPA	CHLORINE GAS	3,171	Sole supplier
JS MARAIS	Repairs at museum (Only received 1 quote)	5,000	Sole supplier
CAB HOLDINGS	Printing of accounts	8,500	Sole supplier
IGNITE	Performance system	13,372	Sole supplier
POWER MEASUREMENT	Prepaid meters	7,000	Sole supplier
TYRE TREADS	Tyres (Only received 2 quotes)	7,575	Sole supplier
WESKAAP LABORATORIUM DIENST	Water tests	8,460	Sole supplier
WESKAAP LABORATORIUM DIENST	Water tests	7,410	Sole supplier
VSR DIGGING	Digging of trenches	3,960	Sole supplier
OCTOBER SKY PLANT HIRE & SUPP	Water audit (Only received 2 quotes)	3,772	Sole supplier
SOUTH CAPE AUTO	Repairs to vehicles	3,222	Sole supplier
BOOM GATE SYSTEMS (PTY) LTD	Booms at land fill sites (only received 2 quotes)	14,993	Sole supplier
KAROO MOTORS WERKSWINKEL	Repairs to vehicles	8,705	Sole supplier
BOOM GATE SYSTEMS (PTY) LTD	Booms at land fill sites (only received 2 quotes)	6,651	Sole supplier
H PIEDT	Sale of prepaid electricity	8,781	Sole supplier
NATIONAL GARAGE	Sale of prepaid electricity	9,393	Sole supplier
HOME HARDWARE	Only supplier with stock	2,219	Sole supplier
JAN NEL ELEKTRIES	Electrical services	48,102	Sole supplier
G VAN DER WESTHUIZEN	Assistance with audit	2,500	Sole supplier
METSI CHEM IKAPA	CHLORINE GAS	3,206	Sole supplier
G VAN DER WESTHUIZEN	Assistance with audit	7,500	Sole supplier
G VAN DER WESTHUIZEN	Assistance with audit	4,000	Sole supplier
SS SWEIS EN HERSTEL	Repairs to motor vehicle	10,820	Sole supplier
LEXIS NEXIS	Legal books traffic	2,810	Sole supplier
TATA GARDEN ROUTE	Repairs of vehicle	48,446	Sole supplier
KOBUS FREY LANDBOU DIENSTE	Repairs and maintenance vehicles (Only supplier prepared to visit municipality to prepare quote)	23,648	Sole supplier
SOUTH CAPE AUTO	Repairs to motor vehicle	5,179	Sole supplier
JAN NEL ELEKTRIES	Electrical services	48,192	Sole supplier
DIE BURGER	Advertisements (only widely circulated newspaper in municipal area that also cover rest of Western Cape)	7,566	Sole supplier
ODTSHOORN GRASSNYER	Repairs to pumps (Only 1 quote received)	6,742	Sole supplier
TIME FREIGHT COURIERS	Delivery charges	4,495	Sole supplier
RADIO GAMKALAND	Radio advert services	6,520	Sole supplier
METSI CHEM IKAPA	CHLORINE GAS	6,300	Sole supplier
WESKAAP LABORATORIUM DIENST	Water tests	7,080	Sole supplier
JAN NEL ELEKTRIES	Electrical services	61,365	Sole supplier
IGNITE	Performance system	4,767	Sole supplier
H PIEDT	Sale of prepaid electricity	8,453	Sole supplier
NB SOLUTIONS	Repairs to recording equipment	3,655	Sole supplier
IGNITE	Performance system	7,875	Sole supplier
NB SOLUTIONS	Repairs to recording equipment	1,995	Sole supplier
UNIVERSITEIT VAN KAAPSTAD	Training services (arranged by WC Dept. of Local Government)	14,500	Sole supplier
WESKAAP LABORATORIUM DIENST	Water tests	7,360	Sole supplier
JAN NEL ELEKTRIES	Electrical services	81,834	Sole supplier
EBOIL SYSTEM	Boiling water dispenser (Only 2 quotes receive)	4,462	Sole supplier
KOBUS FREY LANDBOU DIENSTE	Repairs and maintenance vehicles (Only supplier prepared to visit municipality to prepare quote)	18,431	Sole supplier
JAN NEL ELEKTRIES	Electrical services	25,374	Sole supplier
OK GROCER	Materials for Library	3,860	Sole supplier
SS SWEIS EN HERSTEL	Repairs to motor vehicle	17,110	Sole supplier
JAN NEL ELEKTRIES	Electrical services	54,492	Sole supplier
SOUTHERN CAPE COMPRESSED A	Repairs to compressor	6,975	Sole supplier
WESKAAP LABORATORIUM DIENST	Water tests	8,560	Sole supplier
KAROO MOTORS WERKSWINKEL	Repairs to vehicles	17,350	Sole supplier
ABRAHAMSKRAAL GUEST FARM	Rental of hall for DCF meeting	2,456	Sole supplier
JAN NEL ELEKTRIES	Electrical services	42,420	Sole supplier
KWEEKVALLEI WATERGEBRUIKER	Provision of "leiwat"	20,440	Sole supplier
VODACOM	Bulk SMS (Only 2 Quotes received)	29,000	Impractical
SS SWEIS EN HERSTEL	Repairs to motor vehicle	3,551	Sole supplier
GROUP EDITORS	Advertisements	11,656	Sole supplier
HOME HARDWARE	Only supplier with stock	5,968	Sole supplier
JAN NEL ELEKTRIES	Electrical services	19,180	Sole supplier
SOUTH CAPE AUTO	Vehicle Repairs	4,104	Sole supplier
METSI CHEM IKAPA	CHLORINE GAS	10,015	Sole supplier
FORD	Repairs of vehicle	5,665	Sole supplier
MEDIA 24	Advertisements (only widely circulated newspaper in municipal area that also cover rest of Western Cape)	10,400	Sole supplier
MEDIA 24	Advertisements (only widely circulated newspaper in municipal area that also cover rest of Western Cape)	19,242	Sole supplier
KLEIN KAROO KOOPERASIE	Water tank	13,797	Sole supplier
DIE HOORN	Advertisements	6,560	Sole supplier
SOUTH CAPE AUTO	Repairs of vehicle	3,004	Sole supplier
SOUTH CAPE AUTO	Repairs of vehicle	4,104	Sole supplier
JAN NEL ELEKTRIES	Electrical services	51,627	Sole supplier
SS SWEIS EN HERSTEL	Repairs to motor vehicle	1,933	Sole supplier
JAN NEL ELEKTRIES	Electrical services	230,206	Sole supplier
ISHS	Health and Safety Monitoring	21,535	Sole supplier
BUSINESS ENGINEERING INNOVAT	Records management system	505,000	Impractical
ODS CONSULTING	Calculation of senior management increases	11,865	Sole supplier
JAN NEL ELEKTRIES	Electrical services	33,622	Sole supplier
KAROO MOTORS WERKSWINKEL	Repairs to vehicles	4,740	Sole supplier
NATIONAL GARAGE	Fuel purchases (Amount only determined after completion)	3,729	Sole supplier
NATIONAL GARAGE	Fuel purchases (Amount only determined after completion)	3,065	Sole supplier
NATIONAL GARAGE	Fuel purchases (Amount only determined after completion)	3,038	Sole supplier
NATIONAL GARAGE	Fuel purchases (Amount only determined after completion)	3,293	Sole supplier
	Total	2,306,170	